Edinburgh, Paris, Amsterdam,

Sydney, Welbourne, Brisbane

Monday August 6 1979

CONSTRUCTION GROUP P.O. Box No. 6, Park Hall, Salford Priors, Evesham, Worcestershire Bidford-on-Avon 3721 (20 lines) STD (078 988) 3721

CONFINENTAL SELLING PRICES: AUSTRIA S.A. 18: BELGIUM Fr 25; DENMARK Kr 4.25; FRANCE Fr 3.5; GERMANY DM 2.0; ITALY L 700; NETHERLANDS FI 2.0; NORWAY Kr 4.25; PORTUGAL Esc 35; SPAIN Pts 60; SWEDEN Kr 3.75; SWITZERLAND Fr 2.0; EIRE 20p

Mutiny

sparks Kabul curfew

An all-night enriew was declared in the Afghanistan capital of Rabul last night after a day of fighting believed to have been an unsuccessful matiny by part of the army against the pro-Soviet Govern-ment of President Nur ment of Presid

Kabul olamed and Iranian infiltrators" and said they had gathered near a military barracks in the city and fired a few shots before being wiped out. But residents said the fighting was heavy, with tanks and mortars in action as well as helicopter gunships.

Diplomats in Kabul said the fighting represented the most serious challenge yet to Tarak's regime, which is already facing a rebellion in the countryside by Meslem tribesmen. Page 2

New Government

A new Italian Government, led by Christian Democrat Francesco Cossiga, was sworn in yesterday, ending the country's longest most bitter and confused government crisis for 30 years. Back Page

Iran assembly

With nearly two thirds of the results declared som national elections to a constituent assembly in Iran, clergymen supporting the Avatolich Khomeini have won a dominating number of seats. Page 2. Editorial comment. Page 16.

Transplant off

Britain's second beart transplant operation, due to be perplant operation due to be per the injunit the surviver curformed at Papworth Mospital rency Unit (ECU), itself a
Cambridge, was called off basket of Entopeop currencies,
because the patient's condition The grad is always shown by
had not deteriorated as reference to the weakest cur-

Dearer petrol

The Irish Government has increased the price of petrol by another 12p a gallon, the fourth increase since January —taking the cost of top grades to £1.22 a gallon.

Snub for UN

overguent amounced a above meeting. Page 2

Raid protest

sapon has lodged a protest the this United Nations curity Council over an radi raid fast week in which the connecte Companies were killed and three Palestinians

Wells' record

Alan Wells smarried his Exitish 20 metres record by two tenths of a second when he faithed in 26,29 seconds to win for Britain in the Europa Cup atheletics find in Turin Sebassian Coe. was an easy witner of the 800.

Together again

Eric Morecambe and Tress Wise held a reunion yesterday and laughed at rumours that Eric's major heart operation would stop them returning to the nation's TV screens.

Briefly ...

Greek police are investigating the death of Glaswegian William Tran, whose bruised body was found on a beach near Rhodes:

Britain's Graham Noyce became the new world 500 cc moto-cross thampion following results of gran Grand Prix.

CONTENTS -

By a Economy The U.S. Justinian: European law BNOC and the oil demanies drilling rate 17

gement: Community Pentures in the Hebrides 7

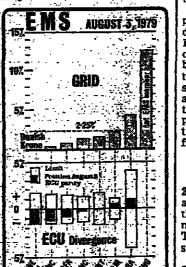
SURVEY

For latest Share Index phone 01-246 8026

No. 27,934

BUSINESS Danish krone weakest **EMS** unit

 DANISH krone was the weakest member of the Euro-pean Monetary System throughout last week, replacing the Belgian franc. On Friday the Danish unit was calculated as being only just within its maximum permited divergence against the ECU. Elsewhere pressures experienced recently eased considerably, with interest rates showing some signs of stabilising. The lira remained the most improved currency and appeared to be unaffected by recent political uncertainty in Italy.



The chart shows the two constraints on exchinge rates within the European Monetury System, the grid of cross rates from which no currency sestept size ling) may most thoughthat the ling was also the purying degrees by which each currency man thorage from its central rate against the Burdyean Currency Unit. (ECU), itself a the base line in the top chart.

• BUSINESS activity Britain has picked up since the spring and industry has become more optimistic about long economic prospects, Term according to the latest Financial Times Survey of Business Oplnion. But businessmen are

increasingly worried about short-term accelerating infla-Israel will not co-present with thin and a probable recession the United Nations Truce Super Back and Page 8
visions Organisation in its a SMALL and medium-sized attempts to presee Israel's companies are to be encouraged withdrawal from Sinal the an expand in a series of to expand in a series

measures being prepared by Government departments for latinching in the autumn. Back Page The Midland Bank, which has taken the lead in promoting finance schemes for small companies, says that small businesses are reluctant to take up equity finance packages.

for its Clydebank rig-building yard, which was saved from closure at the beginning of this year by a £12m Government order. Back Page

• WESTERN oil companies say that exploratory drilling in Chinese offshore waters may first in a series. The federa-begin by late next year. China's tion believes the overtime ban BP is among a number of dil panies where the ban has been companies carrying out seismic

surveys there. Back Page • BRITISH RAIL is unlikely to introduce fuel surcharges to cover higher operating costs until the end of the year, but from January rail fares could go up by over 20 per cent. Back Page

** KAISER STEEL, the ninth-largest U.S. steel producer, showed \$75,000 earnings at the halfway stage, compared with a \$1.3m loss last time. Page 19

Editorial Comment: Education spending cuts; electinercial orientation for the job.

on the home loans cartel 14 ments, has drawn up a short-FT Survey of Business Opinion-

> 5.13 ANNUAL STATEMENTS PROSPECTUSES

Commonwealth delegates back UK initiative

Framework agreed for Rhodesia constitution talks

By DAVID PALMER, MARTIN DICKSON and MICHAEL HOLMAN in Lusaka

A framework for a new British initiative leading to a Rhodesian constitutional conference was agreed by six key Commonwealth nations in Lusaka over the weekend. It will be presented to the British Cabinet on

The agreement will be put to ania, President Kaunda of full session of the Commonwealth Conference for formal Australia, endorsement today. A text of the agreement, which will form part of the final conference communique, may be 'released tonight.

There are expected to be two principal elements to the final document:

Affairs in the talks—so soon

I—Britain will draw up fresh
constitutional proposals to and London over the nationalibe sent to all interested arties sation of British Petroleum to the Rhodesia dispute very assets-indicates the imporsoon, probably nextweek. If tance given to carrying Nigeria and when the Government feels along with any initiative. that the response to those pro-posals is sufficiently constructive, then a constitutional con-ference will be called.

Approach

2—There will be movement as rapidly as possible from the constitutional conference to new elections in Rhodesia. These will be monitored and

supervised by Britain.

The approach by Lord Carrington, the Foreign Secretary, and of President Julius Nyerere of Tanania, the two moving forces behind the initiative, is to take the Rhodesia issue step by step. The first step is seen as the make-up of the constitution

at State House in Lusaka, which led to the agreement, centred on details of Britain's constitutional proposals. The principal participants in the discussions were Britain, Tan- nothing has been agreed.

Zambia, Mr. Malcolm Fraser of Major-General Nigeria, Mr. Adefope Michael Manley of Jamaica, and Sir Shridath Ramphal, the Commonwealth Secretary-General.

The inclusion of th eNigerian Commissioner for External Affairs in the talks—so soon along with any initiative. General Adefope must now return to Lagos and convince his Government that it should endorse his acceptance of the agreement.

This is only one of the hurdles that lie ahead for the initiative. By taking a step-bystep approach, and concentrating most of the attention on the constitution, a series of important questions are left unanswered:

1-Law and order: Who will run Rhodesia between the constitutional conference and the new elections? Who will control, and what will be the make up, of the armed forces during this period? When and how will a ceasefire be called? These issues have bedevilled

itself:

every constitutional initiative

The informal weekend talks on Rhodesia in recent years. Neither the British nor the Tanzanians are prepared at this moment to address them in Although they have detail. discussed been

Muzorewa government in Salisbury, and the leadership of the two Patriotic Front guerrillas groups, have not participated in the Common-wealth talks. It is far from certain that they will go along with the initiative on terms acceptable to everyone else.

As far as Salisbury is concerned, the British are expressing optimism. This is based in part on their talks last night with Bishop Muzorewa. the Zimbabwe-Rhodesia Prime Minister, and in part on a statement he made on Friday might that Mrs. Margaret Thatcher's critical comment on the internal settlement constitution came as no surprise to him, and that he was prepared to talk to the Patriotic Front.
As for the Patriotic Front,

there have been no formal contact, between them and the British during the Lusaka conference, Mr. Joshua Nkomo, the leader of ZAPU, and Mr. Edgar Tokere, secretary general of ZANU, have been busy lobbying other delegations. In the mood of catimism that was at large in Lusaka last

Zambia—could lean sufficiently hard on the Patriotic Front to carry them along. It is a view that will now be put to the test. Continued on Back Page

Lobbying

whole Southern Africa issue may be running high again at conference, and that Ministers may

cre was a feeling that the two key Commonwealth front-line States—Tanzania and

Limited support forecast for engineers' strike today

BY NICK GARNETT, LABOUR STAFF

ENGINEERING EMPLOYERS yesterday predicted that today's national one-day strike over a claim on minimum pay rates would receive only limited support.

time ban, which started a week ago, has affected about 1,000 of the 6,500 companies in the Engineering Employers Federation, according to company figures. It is in support of a minimum £80 a week craft rate. MARATHON Manufacturing. That the ban had been imposed The federation said yesterday by 320,000 workers—about a quarter of the total workforce

of 14m in member companies. The ban has also been called in non-federation companies employing a further 1m Today's one-day strike is the

continental shelf remains one figures are a strong indication of the few promising but up that it will receive patchy superploited areas in the world and foot and that in most comimposed it has been done

reluctantly. The strength of support for

Many engineering companies maximum support today, the West Midlands and a "If the employers in the quarter of Scottish employers were on holiday last week. A large number of other companies, particularly in the South-East, were also sout down

for their annual break. It is not clear how this will influence figures this week. But the federation said that maintenance staff in a considerable number of companies that were shut last week because of holidays had been banning over-

There have been some signs of groups of shop stewards adopting a tough approach. The joint shop stewards committee at Rolls-Royce in Coventry has issued letters to a large number of sub-contracting companies saying that if they are not closed down today their goods will be blacked by the Rolls-Royce workforce.

Union leaders have already warned that an all-out strike and the action called by the Con-federation of Shipbuilding and ruled out. Mr. Terry Duffy, preselective area strikes cannot be

being masked, however, by Union of Engineering Workers, regional and company holidays. said yestreday that he expected "If the employers do not

concede during the next two weeks, we are committed to step up the campaign," he said. Mr. Duffy claimed that 60 engineering companies, including some federation members. had now conceded the unions' claim in full.

Mr. Anthony Frodsham, the federation director-general, said at the weekend that companies were not being intimidated by the action. There was no truth in claims of widespread concessions by employers.

Apart from the money claim, the unions are seeking a one hour reduction in the working week this year, two days' extra holiday and a common implementation date for the new national agreement.

The employers have offered to increase the craft rate from £60 to £70, the unskilled rate from £45 to £50 and semi-skilled rates by 11.1 per cent. They

Crown Agents shortlist private firms to take over audit

BY MICHAEL LAFTERTY,

Department - the government Audit Department during the U.S. Justinian: European law anditor—is being dismissed years 1967-74 when the Agents
16 and the English practice 14 from the audit of the Crown incurred losses of over £200m Heves it lacks sufficient comtions in Iran 16 In its place, the State-owned Lombard: Samuel Brittan almost 100 overseas govern-

> whom the next auditor will be The shortlist follows an inwitation by the Agents' management to 14 large- and medium- record, as a management tool, sized accounting firms to tender and as a means of providing for the Crown Agents audit the Government with informa-The shortlisted firms will be tion. But, for various reasons.

> told the result today. Another reason why the Crown Agents management is thought to want to make a Agents Finance break with the Government refused to identify the firms auditor is because of alleged on the short list. But it is con-

THE EXCHEQUER and Audit failures by the Exchequer and sidered likely that the firms secondary banking. The subsequent Fay commit-

tee report into the affair, published in December, 1977, recorded that by October, 1974, there were no audited accounts for the Crown Agents later than sector accounting firms from 1971, and no urgency over producing up-to-date accounts. Accounts audited by the Department ought to have served as an annual public the accounts failed to perform these functions, said the report. Mr. Alan Molesworth, Crown

concerned come from the following: Arthur Andersen Arthur Young McClellend Moores, Coopers and Lybrand Deloitte Haskins and Sells Ernst and Whinney, Price Peat Marwick Waterhouse. Mitchell, and Thomson McLintock. The audit fee is in the region of £100,000 a year, but Mr. Molesworth said the firm eventually selected might be

new client. The shortlist is not believed to include any of the mediumsized firms which had been in vited to tender for the audit. However, some major firms did not impress the Crown Agents management with the quality of th. Crown their presentations. The Director, step will involve the step of

Tories seek to avoid split

BY ELINOR GOODMAN

THE GOVERNMENT is hoping to head off a painfully public split in its own ranks over Rhodesia by keeping events moving very fast between now and the party's annual conference at the beginning of October,

The conference traditionally provides Tory Right-wingers with their most sympathetic audience, and this year, it could produce the first real test of the acceptability of the new pro-posals to the Government's own supporters.

If Ministers are able to keep to the timetable now being dis-cussed, they would hope to be able to provide conference delegates with enough evidence that international recognition was an obtainable prize to pacify all but the small hard core of right wingers who have consistently opposed sanctions over the years.

They would also hope to minimise the opposition to their plans among their own back-benchers so that by the time any independence Bill came to be debated, they could count on the support of the great majority of their own backbenchers as well as that of the Opposition. Nevertheless, it is acknow-ledged that feelings about the

find it difficult to sell their policy. Their task would certainly be made more difficult if they had been seen to ditch Bishop Muzorewa and to have actively connived in the downfall of Mr.

In the past, Rhodesia has often been among the top half dozen issues which delegates want to discuss. This year, even more resolutions—many of them calling for an immediate recognition of the internal settlement and an end to than usual.

signs vesterday were that if the Prime Minister came back from Lusaka with the kind of agreement that appeared to be on the cards, she would face vociferous criticism from Rightwingers in her own party. But it seemed that the split could be less damaging than that which would have accompanied Engineering Unions is still sident of the Amalgamated renewal of sanctions through her own backbenchers.

BNOC wants Government to get tough

asked to impose tougher licence licensed blocks. conditions on North Sea oil an impressive

A confidential report drawn up by BNOC claims that:

Oil companies have failed to

The UK-based operators are drill on a large proportion of

licensed blocks.

Companies awarded the most it comes to drilling exploration whereas U.S. companies had wells. drilled 1.29 wells on average.

• U.S. operators, responsible for the majority of the territory licensed in early rounds, drill more wells per block than other companies, including those based in the UK.

Flexible

As a result the corporation has now recommended to the Government that companies should be set a tougher, and more strictly imposed drilling relatively poorly and BP's commitment when licences are awarded. One suggestion being made in BNOC, is that com-panies would have to drill at least one exploration well per block, with an option of a second if the operator and the Energy Department can agree that it is warranted.

licensing; that it should move away from issuing licence have been very active in the rounds every other year or so and be willing to offer small drilled on a specific block at numbers of blocks when either this time there are good the Energy Department or the oil companies should wish. In this way, it is argued, the offshore industry would be arle to break from a cyclical trend of high and low activity.

carried out in BNOC's economic intelligence department. Its industry had not julfilled its results lay behind the recent drilling commitment. statement of Lord Kearton. The of BNOC, that oil companies had been sitting on unexplored ing small finds. acreage" and had been telling 'outrageous lies" about the

corporation According to BNOC's analysis of drilling data, of the 371 blocks and part blocks allocated in the first four rounds of licensing and still held by offshore operating groups, some 39 per cent remained completely involvement of BNOC. unexplored.

On average the industry had

THE GOVERNMENT is being drilled 1.21 wells on these companies which, according to when one bears in mind that British National Oil Corporathe average size of block is over tion, are failing to drill enough 250 square kilometres," says the report

average the worst. Up to spring, when the analysis was made. number of blocks "perform less British operators had sun't an well "than other operators when average of 1.09 wells per block

Among the companies mentioned in the report as having been "good performers" are Occidental, Chevron, Monsanto, Conoco, Hamilton, Mobil and Amoco and Phillips were described as "relatively poor performers" with an exploration well to block ratio

record in the first four rounds is described as "slightly worse than average," BP commented at the weekend that its record of performance was as good, if not better than any other major in the North Sea.

Shell is said to have been one of the worst exploration per-BNOC has also suggested that formers when blocks already the Government should adopt a handed back to the Government more flexible approach to are taken into consideration. A Shell official commented: ' North Sea. If we have not geological reasons why we have not done so."

It was pointed out in the industry at the weekend that the Exploration drilling in UK cold statistics masked the uncerwaters is now at its lowest tainties of varying geological point since 1970. conditions that occurred in each
The study time exploration block. Mr. George Williams. drilling during the first four director-general of the UK Offrounds of offshore licences was shore Operators' Association rejected the suggestion that the

> The operators' association is ment possible plans for exploitsubmitted its views on future licence rounds. In essence it is hoping that the Government will offer a fair proportion of attractive blocks in the forthcoming seventh round of licences. It is also looking for assurances about a stable tax

What caused Lord Kearton's



Afghan troops mutiny at Kabul's Bala Hisar Fort

BY SIMON HENDERSON IN ISLAMABAD

regime in Afghanistan with its at the policies of President most serious challenge yet. Nur Mohammed Taraki's Left-

Islamabad, shooting broke out soon after mid-day near the casualties and desertions, some-Bala Hisar Fort, a barracks near times of whole units. The rebels the centre of the city. Machine are now said to control about Russian MI-24 helicopter gun- and unity to overthrow the ship fired rockets into the fort. regime.

Life in other parts of Kabul It was not clear whether was reported to be almost Soviet advisers were taking

normal, with spectators watching the firing, but streets near 1,500 Russians serving with Government Ministries were the military, and twice as many closed and the armoured unit civilian advisers. guarding the radio station was reported to be on top alert.

have died down after about four hours and the Afghan capital s returning to normal by late

wing Government.
There have been heavy gun, tank and mortar fire was 90 per cent of the country but heard, and within an hour a have lacked the organisation

part in the fighting. There are

No casualties were reported among the foreign community, The fighting is reported to but Afghan casualties were thought to have been high because of the proximity of the firing to the densely populated Bazaar area.

A Pakistan International Air- Forces.

PART OF the Kabul garrison Army has been affected in the apparently mutinied yesterday, past few months by the rebellion at Kabul Airport when the contfronting the pro-Soviet of Moslem tribesmen in protest firing started. Officials were initially disturbed and confused, but then ordered the Pakistani pilot to take off.

Yesterday's incident is the second disturbance in Kabul in the past six weeks. In June civilians clashed with security forces and several were killed.

There have been earlier mutinies of soldiers in Jalalabad and in Herat, where in April dissident troops and rebel tribesmen took over the city for two days before being bombed into submission. In this incident several Russians were believed to have been killed.

Last week President Taraki, who came to power in a military takeover in April 1978, reshuffled his Cabinet and took for himself a more direct authority over the Armed

Clergy dominate Iran Assembly

BY ANDREW WHITLEY IN TEHRAN

WITH NEARLY two-thirds of of the results has been held up reported to be trying to reach the results declared from by objections from both the an accommodation with the pro-Friday's National Elections to MPRP and the rival Islamic Khomeini party. a Constituent Assembly in Iran. Republican Party (IRP), which it is already evident that, as claims to have the sole mandate and important province. the expected, pro-Khomeini clergymen will dominate the Mr. Rahmatullah Moghadamresults distributed initially by

come from delegates sponsored Republican Party (MPRP), which is backed by Avatollah Shariat-Madari and stands for a plural society with democratic freedom than that envisaged by won all six of the East Ayatollah Khomeini's sup-Azerbaijan seats, although one

where the MPRP is strongest. a dispute with the IRP over the East Azerbaijan in the north- sixth place. In yesterday afterwest and Khorrassan in the noon's horse trading, the north-east, the announcement Central

The main opposition will Radical Movement, and an but not confirmed by the apparently successful candidate Central Election Committee in in East Azerbaijan, said the IRP had held up the declaration in majority of the seven seats wor the Turkish-speaking province by hardliners, with MPRP by complaining that they ought clergymen gaining only one seat to have had more seats.

Unofficially, MPRP nominees nominge had also been sponsored by the IRP and there was Government

In Khorrassan, another large Maraghei, the head of the small the Government News Agency, Tehran, appeared to show a outright and sharing two others

with the IRP. A spokesman for Ayatollah Shariat-Madari, who is living in the provincial capital, Mashad. reservations about the elections, said there had been widespread was the "ruling party

Bloodiest dictator' overthrown

President Francisco Macias Nguema of Equatorial Guinea, has been overthrown, according to the national radio yesterday, overthrown on Friday night in a be transferred privately to ments. bloodless coup, and replaced by Washington. Council The identities of the Prime Minister, over the week-

President was arrested in his Strauss. home village by Col. Theodore Nguema Menzoso, the Vice-Minister of Defence.

Ugandan crime wave

The Ugandan Government has ordered all Ugandan troops back to barracks, John Worrall writes from Nairobi. The action is part of an attempt to stop the wave of killings and robberies in Kampala. Some armed raids pect of agreement appears more have been carried out by men in

Tarling trial starts

Mr. Richard Tarling, the British businessman extradited from Britain in March, went on trial in Singapore's High Court on Saturday on five charges of violating Singapore company law. Reuter reports.

Indian flood toll

Millions have been affected by munsoon fleeds in northern India, Reuter reports from New been hit in Bihar State, and 280,000 margened in neighbouring Uttar Pradesh. About 1,700 | mand convened to expose the

horder provocations stop imme- in Cairo yesterday. diately, Reuter reports from Peking, A Foreign Ministry of the five Iraqi coup ring-Note said Vietnamese attacks on leaders, and former Secretary

ducers will seek access to the ductive era.

linking sales of their petropetrochemical complexes, three
chemicals to other energy export refineries, and massive

West's chemical markets by

Carter telephone call soothes Israeli cabinet

my country's new leaders were and his envoy to the Palestinian open the way for a PLO-U.S. An earlier broadcast said the autonomy talks, Mr. Robert Jonathan Carr adds from West

A sizeable number of Ministers were known to favour suspending the autonomy talks until the U.S. decision is clarified, but it appears that a more

moderate approach approval in the Cabinet. The fifth round of the autonomy talks between Egypt. Israel and the U.S. began in Haifa last night, but the prosremote than ever.

Israel was deeply angered by what it saw as a series of American expressions last week which appeared designed to from the Israelis.

ISRAEL HAS followed the bring the Palestine Liberation American lead in cooling the Organisation (PLO) into the angry public debate over a autonomy talks. Israel produced copies of

reported pro-Palestinian shift Israel produced copies of by the U.S. Administration. written American undertakings The Cabinet yesterday held a not to have any dealings with raising hopes that one of Africa's bloodiest dictatorships lengthy debate on the crisis in the PLO as long as it failed to was over, AP reports from relations with the U.S., but grant Israel's right to exist, and Paris. The broadcast, monitored decided not to publish its accused the Americans of planin Paris, said the President was decisions. Instead they are to ning to renege on these commit-

Jerusalem is convinced that This followed conciliatory Washington is planning to back Revolutionary Military phone calls to Mr. Begin, the a new UN Security Council resolution which would indicate tiny country's new leaders were end. by President Jimmy Carter PLO acceptance of Israel and

Bonn: Friction between West Germany and Israel was likely to be heightened yesterday when Herr Juergen Moellemann, a kev spokesman on foreign policy and defence matters of the Free Democrat Party (FDP) left for a Middle East tour which will include meetings with Yassir Arafat the PLO leader and

Lebanese and Syrian officials. The appearance of Herr Willy Brandt, the Social Democrat Chairman, with Mr. Arafat at a recent Press conference in Vienna brought sharp criticism

Iraq coup bid-Assad accused

BY ALAN MACKIE IN CAIRO last month's abortive plot in Iraq to overthrow the Baathist Saddam Hussein, Iraq's leader. He made the accusation at a according to the report. special session of the high com-

destroyed. Elsewhere in Uttar Pradesh, crops have been ruined by drought.

China warns Hanoi

"Assad is the real curse of the Arab nations, but I did not imagine he would go so far in his crimes while we were negotiating with him over China yesterday accused Vietnam of stepping up preparations for war, and demanded that in the Daily Al Ahram printed

the Yunnan frontier had caused General of the Baath Party to act before they were fully heavy damage and loss of life. | testified that Mr. Assad had supready.

The first of seven Saudi

SYRIAN PRESIDENT Hafez el Assad was the main hand behind to provide Syrian paratroopers last month's abortive plot in disguised as Iraqi soldiers when soundings in the armed forces regime, according to President found insufficient support to ensure the coup's success,

The plot to remove former President Hassan al Bakr and General Hussein, conceived in 1975, was justified because the two men were too hard line and dogmatic, Mr. Mashhadi claimed. The aim had been to create a unified Syrian and Iragi state with Baghdad as its capital and Mr. Assad as its first President. The unity talks greatly facilitated contacts between the conspirators but the sudden resignation of for-mer President Bakr forced them

Yugoslavia freezes consumer goods prices

THE YUGOSLAV Government, faced with rampant inflation and the danger of a record trade deficit, imposed at the weekend an immediate price freeze on consumer goods and services.

It also raised by 50 per cent the required down payment for goods bought under hire purchase agreements. Upper limits were also put on prices which are normally set freely. The action was taken on Friday evening in agreement

with the Government of Yugoslavia's six constituent republics and two autonomous provinces. Under the Yugoslav system of worker self-management and economic decentralisation, regional authorities and individual companies enjoy a much higher degree of independence in investment and pricing policy than in other

Communist countries. Inflation this year is running at a rate of 19 per cent and the foreign trade deficit during January-May rose by 16 per cent compared to the same period last year to \$2.6bn. If the trend is not checked, it could reach over \$6bn this year as against \$4.3bn in 1978.

Overheated investment. excessive money supply and the high level of public and private spending are the main sources of imbalance. In view of this year's poor harvest. Yugoslavia will have to import 700,000 to 800,000 tonnes of wheat.

The latest measures have long been overdue. The annual report on Yugoslavia just published by the Organisation for Economic Co-operation and Development (OECD) bluntly warned the Government that its targets for the deficit and the infla-tion rate were "unrealistic-ally low"

Rhodesia sanctions may remain

THE BRITISH trade embargo on Rhodesia could remain in force even if there was no renewal of sanctions in November it was learned

here at the week-end. Until now it has been assumed that a renewal of sanctions would require a vote in the House of Commons.

followed by passage through the Lords. Mrs. Thatcher, the Prime Minister, said in Canberra in June that she very much doubted whether Parliament

would renew sanctions in November. This has recently interpreted to mean that, even if there were a majority in the House of Commons in favour of sanctions, there would be no such majority in the Lords. and that the Sanctions Order would not therefore be re-

newed.

however, British Now. sources are pointing out that the retention of a trade embargo does not require a vote in the House of Lords. In 1965, at the time sanctions were introduced, instruments were made under the Import, Export and Customs Powers (Defence) Act of 1939. These instruments prohibit imports from Rhodesia. exports to Rhodesia and the remission of funds to Rhodesia for the purchase of

imports. Even if Parliament does not renew sanctions, these instruments will remain in force until an Order is laid by the Government repealing

It would then be open to the Opposition to Lay a Prayer against such an Order. If-and it is a big if-the Opposition motion won a sufficient number of votes from left-wing Torles to be passed, then the instruments under the 1939 Act would remain in force, bilateral trade with Rhodesia would remain illegal, and the matter would never reach the Lords.

India faces cruel dilemma on imports

BY A SPECIAL CORRESPONDENT.

in view of the additional expenditure of over 11bn rupees (£611m) which India has to spend in importing petroleum products in the current financial year. The demand for petroleum products in 1979-80 has been officially estimated at 31.5m tonnes compared with 26.5m

tonnes in the preceding year.

The country had a deficit in its foreign trade of Rs 10.1bn in 1978-79 compared with Rs 6.9bn in 1977-78. The value of exports in the last fiscal year was Rs 56.2bn against Rs 53.7bn in the preceding year and of imports Rs 67bn against Rs 60,6bn. Import substitution therefore is expected to gather greater momentum in the coming months.

A high-powered committee is now reviewing the programme and examining what measures are to be adopted for its more effective implementation. The composition of the committee reveals the emphasis that is going to be given to measures in the fields of petroleum, engineering, chemicals and allied products.

India has made considerable progress in import substitution in several areas such as feed grains, textile machinery, iron and steel, aluminium, paper and paper board and ammonium sulphate.

For instance, between 1965-66 and 1977-78, the share of imports in the total supplies of foodgrain declined from 9.7 per cent to 0.2 per cent, in textile
machinery (including spares
and accessories) from 37.9 per
cent to 11.3 per cent, in iron
and steel from 16.7 per cent
to 1.1 per cent, in aluminium

The import of vegetable oils
tion.

In these circumstances, there
is a case for rationalising the
Rs 1bn in 1976-77. In Aprilcorporate tax system to give a
September 1978 these imports fillip to industry to expand,
were valued at Rs 3.2bn against diversify, modernise and

in paper board from 45 per. 1977. Such heavy imports cent to 1.8 per cent and in became necessary in view of ammonium sulphate from 67 the shortfall in the indigenous per cent to 0.9 per cent production of edible oils.

In the field of petroleum, the The committee is expect Oil and Natural Gas Com- make several recommendations mission (ONGC) has intensified for giving an impetus to import its efforts, both onshore and substitution but will they be

offshore, with a view to locating additional hydrocarbon reserves. Crude oil production by the ONGC in 1978 79 has been estimated at 9.6m tonnes more internal resources and against 7.5m tonnes in 1977-78. However, India continues to import substantial quantities of a wide range of manufactured goods and raw materials. These include capital goods, metals but the savings capacity of the

Rising oil prices have seriously disrupted India's plans to boost the economy with imported technology and equipment. Now the country is examining new ways encouraging import substitution, but domestic industry will clearly need a boost if it is to produce substitute goods

semi-precious stones, chemical board, vegetable oils, and raw- Industrial circles have been

period of 1977. seen.
The import of vegetable oils tion.

(iron and steel and non-corporate sector was eroded ferrous), pearls, precious and this year by a rise in the rate of surcharge on corporate elements and compounds, income tax from 5 per cent to petroleum products, paper and 7.5 per cent.

The committee is expected to make several recommendations

carry out schemes of import substitution. The marginal rate

of corporate taxation is 72 per

cent for a company in which there are major public holdings,

otton. suggesting that the maximum In recent years there has been rate of corporate taxation be a sharp increase in these lowered to 50 per cent. The imports from Rs 9.7bn in 1975- gross fixed investment of the 1976 to Rs 11.6bn in 1977-78. In private sector is estimated to April-September 1978 these have declined from Rs 10bn in imports amounted to Rs 5.8bn 1976-77 to less than Rs 8bn in against Rs 5.1bn in the same 1977-78. A similar trend is also seen in the net capital forma-

dustry to expand, budget and the import policy modernise and for 1980-81.

INDIA'S programme of import from 25.6 per cent to 2 per cent. Rs 3.3bn in the same period of achieve faster progress substitution is being accelerated in paper board from 4.5 per. 1977. Such heavy imports import substitution. But import substitution. But it remains to be seen whether this proposal is likely to be accepted in view of the large loss of revenue it will cause to the

central exchequer.
In the past two years, the Government has been proges-sively liberalising the import policy and this trend will continue in the future since India needs massive imports of machinery and materials of various kinds to implement her schemes for the development of agriculture, industry, transport, communication and power However, liberalisation has created some problems, especially by affecting the growth

of certain indigenous industries In spite of liberalisation, many industries have not shown an inclination to step up imports because of the high level of duties and the shortage of finance, caused by heavy rates of taxation and credit restrictions.

In 1977-78, for instance the Union Commerce Ministry received only 96,000 applications for import licences compared to 250,000 in the preceding years. This decline is said to be due to the simplification in the licensing procedures and the elimination of the category of "established importers." Even so, the high costs of imports seem to have deterred industries from taking full advantage of liberalisation.
The committee on import substitution has been asked to submit its report by the end of 1979 so that its findings and recommendations can be considered while framing the

Japan subsidies to stimulate domestic shipping industry

BY YOKO SHIBATA IN TOKYO

A GOVERNMENT programme 3 per cent for tramp steamers crews, usually drawn from other nation's ship-owning concerns is Japanese shipowners under the being met with euthusiasm by Government-supported domestic the shipping industry.

The Japanese Ministry of Transport has announced its intention to boost budgetary outlay for the next financial year in order to meet projected ship tonnage totalling between 1.3m and 1.4m gross tons. The Government's three-year

plan for its merchant fleet fore-sees the building of some 3m tons of ocean-going To help it achieve these

objectives, it is providing subsidies on construction loans of its desire to cut back on up to 3.5 per cent for liners and liquid petroleum gas tankers, use of cheap, non-Japanese support programme

nimed at stimulating the growth and 2.5 per cent for tankers. South-East Asian countries, of the Japanese merchant fleet Interest rate levels are the This the shipping industry through subsidies to the lowest ever experienced by Japan was able to do by or shipbuilding scheme launched in

> The Government says it in-tends to grant such subsidies for what are termed "ultra rationalised" ships — those which will operate with a crew of 18, instead of 25-30 persons operating at present. Shipowners submitting plans how to restore the Japanese fleet to a level of international competitiveness will be eligible for such

subsidies.

This the shipping industry in

ing new ships through foreign subsidiaries or affiliated shipping companies, then chartering back foreign-flag ships with foreign crews, often employed at salaries one-third the cost of a full Japanese crew.

This has had the effect of blunting the international competitiveness of Japanese - flag vessels, which the Government now hopes will show some signs of improvement

The current optimistic shipbuilding targets are a sharp con-An underlying reason for the trast with last year, in which a Government's fiscal stimulus is total of nine ships at 301,000 gross tons were built under the

SHIPPING REPORT

Demand for VLCCs eases

BY LYNTON McLAIN

eased last week, although there was still business for medium and large vessels. In August the market Government's move to nation-traditionally belongs to the alise BP's interests there. BP charterer and the beginning of had hoped to ship 12m tonnes of the month again proved no

exception. The result is that freight rates for oil tankers are ex-pected to fall away this week. in loadings of cargoes for BP One of the main contributory factors is the availability of over 50 very large and ultra help the VLCC and ULCC large crude carriers, all await- market. ing charterers, between now

and the end of the month. ing out of the Gulf in the next two weeks. This compares with the peak of almost 100 last months will see "very heady move up.

carriers (VLCCs) in the Gulf highest point for some years. suitable vessels. Attention in the West Africa loading area was focused on used as floating storage at the Nigeria last week, after the start of the month, a total of had hoped to ship 12m tonnes of Nigerian crude this year, between 8 and 10 per cent of the company's total supplies.

out of the Middle East and brokers felt this may eventually

High rates were paid last week for up-to-date product \$14,500. carriers. Maraven paid \$14.50 In con Brokers expected Worldscale carriers. Maraven paid \$14.50 50 for a 250,000-ton vessel, load for a 30,000 ton vessel for prompt delivery. Brokers fore-

DEMAND FOR very large crude month, when rates reached the rates" paid for timecharter of There were 38 oil tankers

> almost 6.8m deadweight tons. Oil companies owned seven of the vessels, with the balance owned by independent concerns. On thte grain market there was a fall in activity, as is usual in August. Rates fell but are expected to rise again in the

middle of next month. The larger vessels were the worst affected, with a 70,000 dwt vessel gaining \$11,000 compared with a recent peak of

In contrast, the Far East area is stable and rates for the Indian Ocean, Australia, Japan cast that the autumn and winter and the Pacific continued to

Canada nears U.S. gas accord

BY VICTOR MACKIE IN OTTAWA

export to the U.S. 250m cubic feet a day of Arctic natural gas and an equal amount of Western Canadian gas. Gulf seeks energy markets in West

PETRO-CANADA, is close to Energy company, completing an agreement to The landmark project, the first to tap Arctic gas supplies, would in effect add nine trillion (million million) cubic feet of Arctic gas to Canada's usable

reserves. Mr. Wolcott said. He declined to say what price Mr. Donald Wolcott, a Petro-Canada vice-president, has told the National Energy Board that Petro-Canada, the country's national oil company, expects to sign a letter of agreement in is being negotiated for the gas. But at the export price of C\$3.50 a thousand cubic feet which is expected to apply to

Norld	Econo	omic li	ndical	ors
000=	UNEMP July 79 1 778 7	LOYMENT June 79	May 79	July '78

	UNEMPI	-OYMENT		
	July 79	June 79	May 79	July 7
0005	7,278.7	1.279.6		1,371.2
%	5.3			5.7
000s				6.793.0
%	5.7			6,773.0
000s	804.0			922.0
%	3.5			4.0
				206.5
				200.3 5.1
70				
000s				tine 7
% ·				1,039.0
70				4.7
222-				May 7
			294.2	276,7
	7.2	7.3	7,4	6.9
000s	1,110.0	1,240.0	1.350.0	1,230.0
%	2.0	2,2	2.1	2.3
	April 79	lan, '79	Oct. 78	April 7
2000s				
9/	7.0	1,052.0	7,051.0	1,450.0
	900s 900s 800s 800s 800s 800s	July 79 000s 1,278.7 % 5.3 000s 5,848.0 % 5.7 000s 804.0 % 3.5 000s 211.8 % 5.1 june 79 000s 1,233.0 % 5.4 May 79 060s 285.4 % 7.2 000s 1,110.0 % 2.0 April 79 000s 1,530.0	0005 1,278.7 1,279.6 % 5.3 5.3 0005 5,848.0 5,774.9 % 5.7 5.6 0005 804.0 763.0 % 3.5 3.3 0005 211.8 214.6 % 5.1 5.1 June 79 May 79 0005 1,233.0 1,258.9 % 5.4 289.7 % 7.2 7.3 0005 1,110.0 1,240.0 % 2,0 2,1 April 79 Jan. 79 0006 1,530.0 1,632.0	July 79 June 79 May 79 000s 1,278.7 1,279.6 1,306.7 % 5.3 5.3 5.3 000s 5,848.0 5,774.0 5,929.0 % 5.7 5.6 5.8 000s 804.0 763.0 775.0 % 3.5 3.3 3.4 000s 211.8 214.6 211.1 % 5.1 5.1 5.1 june 79 May 79 April 79 000s 1,233.0 1,258.9 1,290.6 % 5.4 5.5 5.6 May 79 April 79 March 79 060s 285.4 289.7 294.2 % 7.2 7.3 7.4 000s 1,110.0 1,240.0 1,350.0 % 2.0 2.1 2.1 April 79 Jan. 79 Oct. 78 000s 1,530.0 1,632.0 1,651.0

The key to selling the Arctic gas it to match it with an equal volume of Western Canadian gas, Mr. Wolcott said.

The NEB was told that Petro-Canada's U.S. customers are concerned that the Arctic gas, which would be liquefied and shipped south in ice-breaking tankers, would be subject to interruptions in delivery. For the sale to be successful it is essential that there be a secure matching volume of the gas deliverable to the customers through overland pipelines.

China oil price CHINA has set the price of its daquing type crude oil being exported to Japan during the July-September quarter at \$21.80 per barrel, or 28.5 per cent above the \$16.96 price agreed on in mid-April for the prior quarter arrive. prior quarter, writes Richard C. Hanson in Tokyo. According to the International Oil Trading. company and the Federation of Chinese Petroleum Importers, Japan will import a total of about 7m metric tonnes this year, or 3 per cent of all oil imports. The latest increase makes the Chinese oil slightly more expensive than the ninas crude oil Japan buys from Indonesia which is similar in

Renault to supply 1000 trucks to **Andes Pact**

By Terry Dodsworth in Paris RENAUL VEHICLES Industrie (RVI), the commercial vehicles subsidiary of nationalised French Renault group, is aiming to expand its activities in Latin America with a series of industrial and commercial agreements

Potentially the most important indist of these is a deal with Bolivia under which RVI would be re-sponsible for the production of a certain range of vehicles under the terms of the Anders Pact. RVI has been selected to produce light trucks of between 6.5 and 9.5 tonnes, using a high per centage of local components Bolivia, Venezuela, Columbia,

Emindor and Peru. While negotiations are proceeding on details of the agreement. Renault has ben asked to supply 1,000 trucks over the next 18 months for local assembly. They will be put together in Bolivia by the stateowned Cofadena organisation.

In Venezuela, RVI will step up its exports of parts for locally assembled 18- to 24-seal mini-buses. In 1978, the com-nany sold 120 vehicles to Venezuele. This will increase to 600 this year.

RVI is also trying to establish a foothold in Chile, which opened its market to foreign commercial vehicles last Sepen ber. This year Renault's whollyowned Chilean subsidiary is hoping to sell 120 heavy lorries.

S. Africa sales hoost by GM

By Quentin Peel in Johannesburg GENERAL MOTORS has announced an injection of R20m (£10.4m) in additional equity investment for its South African subsidiary in a bid to revive the company's sliding share of the South African car market.
Once one of South Africa's top two manufacturers, General

Motors has siumped to sixth in the latest monthly car sales figures, with a mere 6 per cent of the market. The major pur-pose of the latest injection of working capital is to tool up for GM's new small car, to be launched in South Africa next

February.

Lack of a small car to benefit from the latest fuel crisis has been a prime factor in GM's sales slump, down from around 9 per cent last year, and an around 10 per cent last year, and around 10 per cent last year. exceptional month of almost 12 per cent of the market in April this year.

The statement by Mr. Lon Wilking, managing director of the South African subsidiary in Port Elizabeth, said the purpose of the investment was to improve the company's capital structure, following lower vehicle sales, as a result of the

depressed economy.
The other significant programme to be funded was R3.9m to be spent on desegregating facilities at the GM plant, including canteens, lavatories and locker rooms, and expand-ing the company training centre to triple its capacity. Earlier this year, Volkeswagen amounced it was investing R35m in a new engine plant through the financial rand, but

represent any expansion of capacity in an industry suffering from chronic overcapacity. FINANCIAL TIMES published dely except Sundays and holidays U.S. subscription, were \$55.00 per smum. Second class postage paid at New York, N.Y. and at additional making

General Motors said that its latest capital injection did not

وكذامنالكمل

products.

Sheikh Nazer, in an interview pertloeum gases and fertilisers published in Saudi Business on Peninsula as a "single economic unit" and to co-ordinate development to prevent any further wasteful duplication of Saturday, made no express link plan, between western purchases of Th The Saudi Government has Arabian petrochemicals and the already started work on the supply of crude oil supplies, but infrastructure for these heavy industries. This alone may cost the implication was clear. The common marketing strategy, he said "will be very much tied to other activities in the energy Fears that Europe, which has petrochemical over-capacity, the United States, which is the Downstream production largest market, and Japan might fertilisers. crect trade barriers against Gulf refined petroleum products and products has already prompted liquid petroleum gases-are the warnings by Gulf Ministers. basis of the industrial policies "We are going to insist on of all the major Gulf producers Cabinet. the Western consumers acceptand will be erucial in Saudi

SHEIKH HISHAM NAZER, the Saudi Planning Minister, has confirmed that Gulf oil pro- words, a move towards a pro- strategy marks a new development. The common marketing strategy marks a new development in Gulf co-ordination. At to the wholesale import of up the end of May, a meeting in Doha approved a common policy for petrochemical sales and in June Sheikh Nazer and seven other Gulf Planning Ministers agreed to regard the Arabican

> industries. Sheikin Nazer said that though Saudi Arabia would not be able to reduce its dependence on crude exports for the bulk of its income "even at the end of the fourth plan." this remained one of two principles of the third plan which had aiready been approved by the

The other principle was extent of limiting access to Arabia's own third five-year ing our product as we accept training Saudi manpower. Here university education.

a shortage of skilled Saudis was proving a critical obstacle to Saudi development and had led to 2m foreign workers in the second plan. Sheikh Nazer denied that foreigners numbered Saudis in the main cities they almost certainly out-

problem Their replacement by Saudis is a "national goal for every Saudi crizen" although how this will be done is still not clear. Solutions suggested by Sheikh Nazer include increased Government pressure on the private sector to provide training and a major effort to increase the panetically low number of Government nical trainees, possibly to the

September with two U.S. com-panies—Southern Natural Gas. and a subsidiary the Southern would be worth C\$639m a year.

number Saudis in the labour force, which he said was a social

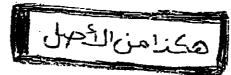
mpo

enault

Ipply |

ucksto

ndes }



Is this the only way to talk to your workforce?

Sadly, some people still think the best way to communicate with their own workforce is to beat them over the head with facts.

And nothing more.

Happily, there is a better way of going about it.

And, equally, some enlightened companies know what to do.

Advertise for better relations »

Corporate advertising is the sensible alternative.

Intelligently used as a management communications vehicle, effective corporate advertising not only educates and informs, it also helps to develop—and confirm—ideas and attitudes among widely differing groups of people.

Far from hindering your company's industrial relations, it can only help them.

Now and in the future.

Getting the right results

Recognising the value of corporate advertising is one thing. Getting it right is another.

It has to relate to your company. It has to relate to its audience. It demands a long-term commitment. And, obviously, it has to be done well.

Which is why we've produced a book to help you get it right.

A guide to successful work

"Corporate Advertising: Menace, myth or magic formula?" not only discusses the importance of corporate advertising, it tells you how to go about it.

It includes examples of successful campaigns. It talks about strategy and timing. It discusses the media you can use to reach specific audiences.

And, most helpful of all, it provides you with a detailed checklist from which you can begin to identify all those occasions when your company could benefit from a corporate advertising campaign; such as when you want to boost your staffs morale, or explain plans for future development.

Send for your copy now

You can get a free copy of this new book simply by completing and returning the coupon below.

We can't guarantee that your advertising will bring about industrial harmony. But what you'll learn from "Corporate Advertising: Menace, myth or magic formula?" will certainly change your attitude towards industrial relations.

To: Anthony Wreford,
Financial Times, Bracken House,
10 Cannon Street, London EC4P 4BY.

NAME

POSITION

COMPANY

ADDRESS

NATURE OF BUSINESS.

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

Ford spent £15m on anti-rust treatment

By Kenneth Gooding. Motor Industry Correspondent

FORD has spent about £15m on introducing an anti-corrosion treatment, at its European pro-

The process will be used on all cars delivered in Europe from this month. Ford claims it significantly prolongs th useful life of the bodywork'

But the group is not extending its one-year guarantee against rusting, although other manufacturers give guarantees lasting up to five years.

Ford maintains that its market research showed that buyers were put off by the conditions and restrictions of long anticorrosion guarantees. "The car buyer is more concerned about in the first place," the company

In a remark aimed at organisations which offer rust-proofing services to motorists. Mr. Bob , Marshall, Ford Director of Body Electrical Engineering. Our experience has shown that in-plant treatment is clearly the most efficient way to achieve maximum corrosion pro-

tection. Ford spent several years in what it believes was the largest and most detailed field study of corrosion ever conducted

After computer analysis of this study. Ford corrosion engineers were able to identify not only the most vulnerable areas of the car but also the most effective protection methods commercially available.

So the new treatment has been progressively integrated into the production systems of all its European car plants. The cost was £6.2m at Dagenham and Halewood in the UK.

Mr. Marshall said: "The effectiveness of the new process has been thoroughly proven in a series of accelerated corrosion tests under the severest condi-

New import problems face Small British fibre industry

BY RHYS DAVID, TEXTILES CORRESPONDENT

EXPORTS OF U.S. fibre and fibre products to Europe maintained their strong growth in the second quarter. European groups are repeating that the industry might be approaching a further big crisis.

U.S.-based fibre groups and their chief textile customers have found over the past year that their products are highly competitive in Europe, mainly because of the much lower U.S. price for oil, the main fibre feedstock.

That, with the decline in U.S. sales because of reduced consumer spending and higher imports of finished products from the Far East and elsewhere, has encouraged the U.S. groups to turn to exporting. Britain, particularly since the rise in the value of sterling, is a main target.

Details of disruption by U.S. imports of fibres and fibre factur products were lodged in May third. with the European Commission by Comitextil and CIRFS textile

of countervailing duties on U.S. fibre exports to offset the

oil-price advantage.

Latest trade figures indicate that the pace of exports since the industry's appeal to the Commission has accelerated. carpets among the sectors worst affected. Altogether, U.S. exports last year reached 2,500 tonnes, but in the first months of this year they had exceeded

Carpets

Carpet yarns have also been arriving in much greater quantity this year. As a result of increased exports of carpet and carpet yarn, the market available to traditional UK suppliers of BCF nylon, the main tufting yarn, is estimated by one manu-facturer to have fallen by a

Exports from the U.S. of other important fibres and fibre of the latest deterioration in the products, including polyester market as a result of increased and fibre trade associations, and products, including polyester market as a result of increased their case is being fully filament, acrylic and polyester U.S. exports, progress towards evaluated in time for next cotton woven fabrics, have also extended to the combined t month's Council of Ministers risen substantially, making it total of more than \$3bn by very difficult for UK fibre pro- European fibre makers
Among the possible measures ducers to raise prices parallel 1975—is being reversed.

being canvassed by sections of with raw material increases. the industry is the imposition Those are estimated to h Those are estimated to have increased by as much as half in some products as a result of oil price rises imposed by the Organisation of Petroleum Exporting Countries. In textured polyester yarn, UK prices for 76-84 Decitex quality have fallen, however, from 215p a kilo in the spring to about 200p

The new American pressure on the European market has come when European groups had begun to recover after several years of severe losses as a result of heavy textile and clothing import penetration from the Far East and conse-

quent over-capacity. Sleps have been taken to over-capacity. closures have included Monsanto's recent halting of its loss-making nylon operations in the UK, Luxembourg and West Germany at the cost of 2,300

Some groups say that because

Electronics set to grow by 14%

BY JOHN LLOYD

years, according to a report by double the U.S. rate. Gnostic Concepts, the U.S. consultants.

age, at 12.8 per cent; but that both will exceed the U.S. rate

of 10 per cent trial electronics, electronic data and the UK 17 per cent, processing and components—all "Apart from monetary influshow higher growth in Europe ences, the American electronics

LOREAL

ANNUAL GENERAL MEETING

29th JUNE, 1979

The Annual General Meeting of shareholders was held on June 29,

1979 under the chairmanship of Mr. François Dalle. The accounts

151

155

39.29

L'OREAL's 1978 financial year has thus shown a satisfactory development of turnover ($\pm\,16.7\%$ with comparable data) and an even

Net dividend has been increased to Frs. 15 per share against Frs. 10.65

Prospects are favourable for the 1979 financial year. Consolidated turnover should increase by about 18% compared with 1978, while profits should increase even more rapidly.

Copies of the 1978 Annual Report, in French or English, can be

L'ORÉAL - Information Financière

41, rue Martre — 92117 — Clichy Cedex — France

4,220

192

53.80

for the 1978 financial year were approved.

more rapid increase regarding results.

in 1977 and will be added to all old and new shares.

In Frs. million

Provision for investment

Net capital gains or losses

Profit per share (in Frs.)

Net profits

Group profit

obtained from:

the U.S. rate forecast to be and 1980. The report says that the UK higher, at 13 per cent beside a industry's growth rate will be forecast European rate near 12 lower than the European aver-The three main West Euro-

pean countries, West Germany, France and the UK, produce Growth in most important 75 per cent of all electronics. sectors - telecommunications. West Germany leads with 35 per consumer, military and indus- cent. France has 22.8 per cent

1978

5.554

211

÷3

211

4,810

140

146

40.23

THE EUROPEAN electronics than in the U.S. Military industry will also show a industry will grow by 14 per electronics growth in Europe is smaller average growth in real cent a year over the next three shown at 14 per cent, almost terms compared with Europe because of the expected econo-Only in office equipment is mic downward trend in 1979

> "However, this should not lead to an expectation to see a long-term higher and more dynamic growth of the West European electronics industry in comparison with the U.S." On telecommunications, the

> report says that European sup-pliers "expect a lot" from demand in developing coun-"However, they will be under increasing competitive pressure from their American and Japanese competitors.'

In consumer electronics, the report says that West Germany, the most advanced market, is showing signs of saturation, while the newest product the video recorder, is showing "hard price fights which are burdening the profitability of the business in the development phase of the

European Electronics Econo metric Services, 8 Roughdown Villas Road, Felden, Hemel Hempstead: Rheinstrasse 44-46 D-6100 Darnistadt, West Ger-

Gatwick set to order rapid transit railway

By Lynton McLain

GATWICK AIRPORT is to bave one of the first rapid transit airport railways in Europe. An order for the equipment, which may be from the U.S., is expected to be announced in a

Trains will run on an elevated track which will be built over the quarter mile from the main terminal to a proposed "satellite" building.

The circular satellite will

replace the airport's northern pier which gives cover to assengers walking to alreraft. Work has already started on £3m contract for aircraft stands and taxiways around the

companies 'spurn bank plan'

BY MICHAEL LAFFERTY

DEMAND FOR equity finance by small companies has not lived up to expectations, according to Midland Bank, the clearing bank group that has taken a lead in promoting finance schemes for small

Mr. Peter Nicholson, general manager responsible for Midland's Independent Business Banking Unit, admits that the most disappointing feature of the bank's experience so far the number of small businessmen "who fight shy of parting with equity."

People seem to have diffi-culty in understanding that it is better to have threequarters of a larger cake than all of a smaller one, without the back-up of a clearing

Midland Bank is willing to make minority equity investments in companies ranging from £5,000 to £2m. So far. it is thought to have invested less than £20m in that way on probably fewer than 50

"Most investments are in the high tens of thousands, with some running into hundreds of thousands, and a few

over £1m." Midland entered the equity finance field about eight years ago with the intention of taking stakes in companies that would eventually become

This approach was widened to include companies likely to be sold to larger companies in the trade. In addition, Midgradually became involved in providing extra capital for businesses where there was no expectation of a

Borrowing

The latest development in the bank's approach has been willingness to buy out part of the existing owner's capital. Mr. Nicholson believes that availability of such rey out" finance is probably "the best carrot we can hold in front of businessmen starting up today."

"It creates a mechanism for the small proprietor to realise part of his capital while continuing to run his

Midland executives find that small businessmen linance are few. "We have to look at an awful lot of cases before we land a deal."

If anything, small busi-

nesses still seem to prefer borrowing money. Here, Midland has responded by marketing a scheme for loans with repayment terms as high as 20 years, and the option of fixed or variable interest rates.

The hank believes that the combination of that facility with the equity finance scheme should eventually prove attractive to many small companies. Midland will shortly carry

out another advertising campaign to advertise its equity finance scheme. It is also organising seminars throughout the UK for professional advisers such as accountants and solicitors in an effort to promote the service.

The survey also showed that

demand and workload levels in

Cut in jobs bound to Private follow big pay deals, senior Tories warn

BY OUR LOBBY STAFF

vesterday that big wage settlements would inevitably lead to

ment, both Sir Geoffrey Howe, the Chancellor and Lord Thorneycroft, the chairman of the Party, made it clear that in their view the Government had no option but to implement the policies it was now following —even if this meant painful side effects in the short term. .

Speaking on BBC radio, the Chancellor was still unable to hold out any immediate hope of a cut in minimum lending rate. He said he boped it would come down by January, and so obviate the need for an increase in mortgage rates, but that he could not guarantee it.

Underlying all he said was more, the basic message that the Government had very limited need to the company of the more than the company of t

SENIOR Conservatives warned volved in a statutory wages policy. That, he said, was something everybody wanted to Commenting on the first 100 bargaining, unemployment days of the Conservative Government, both Sir Geoffrey Barrana would get worse at a time when the conservative Government would get worse at a time when the conservative Government would get worse at a time when the conservative Government would get worse at a time when the conservative Government would get worse at a time warned that unless there was "responsible pay days of the Conservative Government" would get worse at a time warned that unless there was "responsible pay days of the Conservative Government and t fewer jobs and a further cut in avoid. He warned that unless job prospects were being hit by the world recession.

> The same message of gloomy reality was delivered by Lord Thorneycroft in his "end of term report" to constituency Taking up a theme made in last month's party political broadcast, he warned that if Britain did not face the facts, the country faced a "miserable and declining future." If the cost of public services was forced still higher by substantial wage increases then the necessary balance could only be held by cutting

The party, he said, had no need to feel defensive whatever room for manoeuvre and that the opinion polls might show there was very little it could about its standing. The job of sensibly do to influence either local workers was to "remain interest makes interest rates or the value of rock steady in support of the the pound.

Government no matter what the

the pound.

Sir Geoffrey also repeated his polls may say or what the determination not to get in- criticism."

Stockbrokers forecast living standards

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

BRITAIN faces "the very real: over the next few years. ... Phillips and Drew.

The brokers argue that unless the Government's policy_of trying to change past economi behaviour patterns (through extra incentives and public spending cuts) succeeds, the UK in the mid-1980s could suffer from more than 2m unemployed, a current account deficit, a weak exchange rate and the prospect of absolute

"The depressing probability is that the long-term decay of the UK's manufacturing base has now gone so far that the alternatives to the present policy are rapidly narrowing to only one—generalised import controls in some form or other."

Treasury view

The Phillips and Drew estimates and conclusions are broadly similar to those of the Treasury's own medium-term assessment. The pessimism of the official analysis has been reflected in recent speeches by senior economic Ministers, especially when they have been arguing the need for continued tight curbs on public spending.

A version of the Treasury's doomy medium-term projections is likely to be included in the autumn White Paper on public expenditure. There are also likely to be a series of Ministerial speeches during the next few months warning that touch action is needed now to change past trends otherwise he prospects will be dramati-

Phillips and Drew says its medium-term analysis only highlights the magnitude of the Government's task. But there is no evidence on which to base more favourable objective assessment than one of hope,"

The brokers project an average rate of growth of total output, as measured by real Gross Domestic Product, of less

rospect of an absolute decline. The result is that the average in living standards" once North annual rate of adult unemploy-Sea oil production levels off in ment is likely to be 11m over the mid-1980s, according to a the period compared with gloomy new medium-term roughly 1m in the last decade, analysis from City stockbrokers. However, during the period the However, during the period the total is projected to rise from just under 1.3m at present to 2.2m in the second half of 1983.

The current account of the balance of payments is expected to fluctuate between small surplus and small deficit.

The UK will be particularly constrained, on this view, by a slower growth of world trafe rate of the 1960s and early 1970s and by greater penetration of domestic markets, particularly for manufactured goods, by Brokers Kemp-Gee and Co.

argue in a new review that " the very elements of the current policy mix which spell possible disaster for companies spell a substantial improvement in the glit market over the next year. A sharp recession reinforced by deflationary fiscal and monetary slowdown in monetary growth and Minimum Lending Rate (now 14 per cent) moving well into single figures by next

Brokers Capel-Cure Myers argue that the performance of bank lending is likely to be the first financial indicator to show that the Government's monetary policies are working and that the recession is under way. The brokers say that bull market in gilt-edged stock has further to go and any immediate weakness should be seen as a buying opportunity.

Villages fight power project

KENT VILLAGERS are to fight a plan to build a £260m electricity converter the size of Canterbury Cathedral.

People living in Sellindge, Aldington, Smeeth and their joint efforts, Brahourne will add an extra 4p Burns died in 1897. than 12 per cent a year in Brabourne will add an extra 4p Burns died in 1897.

1979-83 compared with an on their rates to finance the average of 12 per cent. This is battle at a forthcoming public that the sale proceeds will top in spite of the substantial inquiry. They want the condition of North Sea oil output verter sited at Dungeness.

steel rises resisted

creases announced by private sector steelmakers, and may witch to imports from other European countries. These have fallen in price partly due to the stronger pound.

The private sector mills will raise prices in a wide range of products by 5 to 6 per cent from August 12. The British Steel Corporation has not yet for lowed suit, but many expect it to do so shortly. BSC said has week that it had no plans at present to raise prices. Figures produced by the British Iron and Steel Con-

sumers Council show that in some major products, the price difference between British and EEC guidance prices is as high as 25 per cent. EEC guidance prices were

adjusted in June last year, and are expected to be adjusted again next month.

Since last June, sterling has appreciated by between 10 and 11 per cent against the Euro pean Unit of Account so that actual differentials may be as high as 35 per cent.

Fanilibrium

Some consumers, who are concerned by the loss of com-petition over European rivals have reportedly refused to pay. the extra five or six per cent of orders from private mills for after August 12. They say that if they were forced to pay, they would switch orders alcounter. vould switch orders elsewhere

Imports of certain products are high, but in others, there is considerable scope for further penetration. Merchant bar, for example, one of the main products, is now between 20 and 30 per cent more expensive in the UK than on the Continent, but imports only amount to about 15 per cent of the total used. The British Independent

Steel Producers Association be lieves that consumers' resistance will soon die out, and that a rise in EEC guidance prices wil equilibrium to the restore market. The association claims that

the prices of products from most EEC steel producers are already climbing nearer to UK level and are generally above the guidance prices. Some "marginal tonnage"

was available from countries such as Spain and Brazil at low prices, but this was not a sign milicant part of the market.

North Mymms contents sale may top £1.2m

Financial Times Reporter MORE THAN £1.2m may be raised by a four-day sale of the contents of North Mymms Park, near Hatfield, Hertford shire, by Christies. The sale includes a group of early 17th-century Brussels tapestries and a 200-piece Meissen dinner

The house is the home of Major-General Sir George Burns, a great-nephew of J. Pierpoint Morgan, the American banker, with whose help the collection was built up. His married Mr. Walter Hayes Burns, who ran the Morgan bank branch in Paris. Mrs. Burns and her brother

were determined collectors and the North Mymms collection expanded rapidly thanks to their joint efforts, after Mr.

Interest rate cartel 'harmful'

BY MICHAEL CASSELL

THE BUILDING society interest rates initially would rise if the According to the report, the rate cartel, "which has created cartel was ended but claims that rise in rates would not affect." rate cartel, "which has created unnecessary and harmful surpluses and shortages of mortsage funds," should be scrapped, according to a study conducted by the Institute of Economic Affairs.

A paper, published today by the institute questions the building societies assumption that the non-mandatory system of recommended interest rates adopted by the movement leads to lower interest rates generally and says that societies rates can be significantly above those in the market, even if only for a short period.

The study, carried out by two lecturers in economics at the University of Wales Institute of Science and Technology, nevertheless admits that mortgage to nouse buyers. In many circumstances, borrowers The Building Society Price are more concerned with the Gariel IEA, Hobari Paper No. supply of funds than with their 83 £1 20. 2. Lord North Street, cost."

competition would increase effi-

into balance with supply, ending "the present chronic excess demand."- Rationing of excess demand."- Rationing of vary considerably between morigage funds would then it societies.

claims, be by price rather than other expedients used to cope with high demand, such as sayings qualifications.

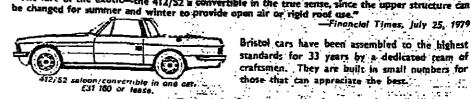
The paper adds: "The rise in rates would make harmonism of the cartel would stop the cartel would

rates would make borrowing more expensive but would expand the funds available for lending to house buyers. In many circumstances, horrowers

mortgages and investors' shares ciency and ultimately reduce equally. Highly efficient societies with low expenses would be able to offer substantially more would rise to a point where the demand for home loans came in the borrowing rate; creating a single for which low expenses would be able to offer substantially more to the saver without a large rise in the borrowing rate; creating a single for which large trategory. situation for which laterest rates would rise to market levels but

The institute says that while there is a strong argument for more, competition in building ing of the cartel would stop wasteful "non-price," competition in matters like advertising and branch office expansion.

BRISTOL 412/S2 The lure of the exotic-the 412/52 a convertible in the true sense, since the upper structure can



Bristol cars have been assembled to the highest standards for 33 years by a dedicated team of craftsmen. They are built in small numbers for those that can appreciate the best.

Bristol Cars Ltd. 368-370, Kensington High St., London W14 8NL 07-603 5556.

CONTRACTS AND TENDERS

Argentine Republic Ministry of Economy State Secretariat of Energy

Hidronor S.A. Hidroeléctrica Norpatagónica Sociedad Anónima

Alicurá Hydroelectric Project

Prequalification of contractors:

Contract No. 545-overhead travelling cranes In connection with a subsequent call for tenders for design, manufacture, transport, testing and commissioning of two powerhouse overhead travelling cranes, Hidronor S.A. will receive and analyse the qualifications and references of those firms or consortia of firms that have adequate technical and financial capacity and wish to take

Alicopa Complex

part in the call for tenders.

—Two overhead travelling cranes for the powerhouse, for both single and tandem operation.

-Lifting capacity of each unit: 280 tons for the main hoist.

-Track width: 20 metres. Track length: 110 metres.

The procedure for submission of data and the characteristics of the supply is set in the corresponding prequalification document, which may be obtained either from Hidronor S.A., Av. Leandro N. Alem 1074. 5th Floor, 1001 Buenos Aires, Argentina, or at the main offices of Electrowatt Engineering Services Ltd., Bellerivestrasse 36, CH-8022 Zurich, Switzerland, and SWECO AB, P.O. Box 5038, 2 Linnegatan,

The envelopes containing the qualifications and references of the firms or consortia concerned shall be submitted to Hidronor S.A., Av. Leandro N. Alem 1074, 5th Floor, 1001 Buenos Aries. Argentina.

of skilled workers A GROWING shortage in the ing the severe winter, resulting wailability of skilled labour in increased building activity

Building industry short

for the construction industry is now, shown in a survey from the National Federation of Build-dem ing Trades Employers. the construction industry
More than half the 600 members who took part in the over public spending cuts and

But the Federation said it The Federation says that was a little early to read too although the momentum of the drastic a message from the last 18 months is being mainsurvey. The shortage may tained there are indications of partially be caused by the a contraction in inquiries later damage to programmes followlayers were scarce.

survey reported that brick a forecast of recession in the private sector.

Mrs. MacDonald to fight for SNP policy post

NEW contest for the leader- the former MP for Aberdeen-

BY RAY PERMAN, SCOTTISH CORRESPONDENT

ference next month after a last-minute decision by Mrs. Margo MacDonald to stand for re-election for the key post of senior rce-chairman.

Mrs. MacDonald, one of Scotland's best known political figures and a moderate, resigned her Parliamentary candidature in Hamilton before the last general election and has devoted herself to her full-time

campaign for the homeless.

ship of the Scottish National Party is likely at its annual con-

Mrs. MacDonald overwhelmingly defeated Mr. Henderson The chairmanship of the job as organiser of Shelter, the party is almost certain to go to Mr. Gordon Wilson, MP for The senior vice-chairman has a strong influence over policy in the SNP as chairman of the strategy committee. Had Mrs. MacDenald not stood, the post

Dunder East.
Mr. Wilson believes passionately in independence for Scotland and that local government would almost certainly have elections and devolute gone to Mr. Douglas Henderson, undestrable distractions. elections and devolution are

snaded Mrs. MacDonald that it

Mr. Henderson won the post, the party would be branded as

swinging to the Right and

dence-or-bust policy that would damage it further, particularly in next May's district council

S-102 41 Stockholm 5, Sweden, as from August 2, 1979. before 4 p.m., September 13th, 1979.

elections.

Open-cast mining

workers set to strike

over pay and rights

CIVIL ENGINEERING workers provide improvements accept-

Further industrial action, rates in the general building

operators.

separate identity.

BY NICK GARNETT, LABOUR STAFF

involved in open-cast coal

mining are due to strike on

Wednesday in a dispute over

pay and negotiating rights with

including the possibility of a damaging overtime ban is also

The 8.000 workforce, most of

them members of the Transport

and General Workers' Union,

work for civil engineering com-panies and specialist open-cast

contractors on sites operated by

Industrial action reflects dis-

satisfaction with a recent pay

settlement and a general feeling

among many of the workforce

that they should have a separate

At present, general pay rates

the National Coal Board.

negutiating agreement

Lucrative

contracting companies.



Transport Workers national construction secretary, said yesterday that the union was behind the workforce in seeking higher pay rates and improved

There would be no support from the union leadership, however, to any demands for separate negotiating rights, said

are fixed by the national building and civil engineering settleconditions. ment although there are further separate negotiations with the open-cast contractors on top of This year's separate negotia-

able to the open-cast workers.

Open-cast operations have

proved financially incrative to

the contractors and the open

cast workforce believes pay

and civil engineering agree-

Present earnings can be more

than £200 a week including

bonuses for open-cast machine

Many open-cast workers are

highly skilled, using expensive

and complicated machinery and

tend to stay in open-cast work

rather than move back into

ceneral construction. This has

helped to foster some form of

Mr. George Henderson, the

ment did not reflect this.

have so far failed to

Shotton workers demand

and steel making is being shut costings, said Mr. Monty Hughes, down, called yesterday for an committee chairman. "Furtherindependent inquiry into the more we want the Government

The works' action committee

.The committee is asking the the best interests of the cor-

that the major decisions now targets, and enjoys the esteem being made by the corporation and goodwill of thousands of

based on 100 per cent accurate to fully appreciate the dire consequences of those decisions

More than 6,000 jobs will be lost with the closure of steel-Mr. Hughes said: "Shotton

simply cannot accept that it is in poration or the nation to close the major part of a works which not so very long ago was consistently in profit, has a loyal workforce with one of the best industrial relations records in British industry, has never "We want to be quite certain failed to meet its production

ROTTERDAMSCH BELEGGINGSCONSORTIUM N.V.

MORGAN GUARANTY TRUST COM-PANY OF NEW YORK

-NEW YORN: 30, West Broadway

BRUSSELS: 35. Avenue des Arts
ANTWERPN 83. Frankrickle!

LONDON. 35. Lombard Street

-PARIS: 14. Piace Vendöme

-FRANKFURT 8. Bockenheimer.

Landsuasse

Net payable rate: \$0.394 after deduction of \$5% Japanese with-holding tax.

THE "SHELL" TRANSPORT AND TRADING COMPANY, LIMITED 1979 CAPITALISATION ISSUE NOTICE TO HOLDERS OF SHARE WARRANTS TO BEARER

By Order of the Soard. G. J. CHELL. Secretary

REED INTERNATIONAL LIMITED IReed Paper Group Limited)
61.7. 1968:1983 UA.12.000,000
LOAN

The Trustee K REDIETBANK S.A. LUXEMBOURGEOISE

TENDERS FOR GREATER LONDON BILLS

1. The Greater London Council hereby give notice that Tenders will be received and Tenders will be received the property of the council hereby give notice that Tenders will be received the council of the council TENDERS FOR GREATER LONDON BILLS

M. F. STONEFROST.

DIAMONDS FOR INVESTMENT Diamonds Selection Limited after loose-cut and polished diamonds as one of the hoes; and salest alternative invest-ments. The tollowing is a cross section of prices from their recommended range as at 1st August, 1979. 2700-800/S0

1367

Note: Diamonds in the range we recommend for investment have appreciated an average of 550 per cent significant and signifi

Close vote expected on General printers telephone staff pay offer accept BY NICK GARNETT, LABOUR STAFF pay deal

narrowly in favour of rejection.

meets today when all outstand-

discuss the position.

The union's executive council

The council may decide not

to make any formal decision on

the offer until the outcome of the vote by 37,000 members of

the Civil and Public Services'

Association on a similar deal.

That may not be until the

beginning of next week.

MORE THAN 20,000 workers in general printing have accepted a new pay and re-classification

The printers, members of the National Graphical Association. voted five to one in a ballot to accept the offer from the British Printing Industries Federation The deal is backdated to June 25.

The agreement which in-corporates changes in printing machine classifications, includes an extra £3 to £9 a week on the special allowance for 7,000 workers in photocomposition. The allowance will be benegotiated annually."

About 15,000 machine managers will receive varying increases, depending on the nature of the equipment. At the higher end, the raion said that the tises would be "sub-stantial"

Mr. Tony Dubbins, the union's assistant-general secretary, said that the settlement ended 18 months of negotiation in which workers had blacked some machinery...

The new settlement absorbs some interim payments for work on certain types of equip-

New wages councils to be set up

By Our Labour Staff TWO NEW wages councils are being set up to replace the nine existing wages councils. The Petail Trades (Food and Allied Trades). Wages Council will determine minimum pay and conditions for 500,000 workers and the Retail Trades (Non-Food) Wages Council will cover about 650,000.

Orders establishing the

councils have been made by Mr. James Prior, Employment Secretery, and take effect from the beginning of next month.

A merser was first recom-mended by the Commission on

Mended by the Commission on being caught up in the con-mended by the Commission on being caught up in the con-lindustrial Relations in 1974. It session and this was the main was followed by a report by reason for outbound delays. was followed by a renort by the Advisory Conciliation and Customs officers working to Arbitration Service giving standard at the apport un-broad support to the proposals covered a massive haul of The nine existing wages cannabis in a bunch of bananas councils were set up between vesterday.

1947 and 1953. A woman is due to appear at

BRANCH VOTING by 6,000 processed telephone bills since general secretary, said yesterday Post Office telecommunications April and delayed more than that the union's 50,000 telecom members of the Society of Civil £800m in revenue, is being and Public Servants on a pay continued.

and regrading offer has so far been very close. The offers to the two unions provide basic rate increases of A slight majority of meetings are thought to have been in 9 per cent, with 5-7 per cent for grade restructuring, 2 per cent for productivity and 21 per cent favour of acceptance, but this has probably not been reflected changing the settlement in total votes. By the end of last date. week, voting was thought to be

The Union of Post Office Workers appears to be making some headway in separate pay and productivity negotiations ing votes will be known, to with the Post Office.

Optimism

The union agreed an interim pay deal worth about 10 per cent earlier this year. Last month, the Post Office also agreed to consolidate all out-That may not be until the standing pay supplements—
beginning of next week. worth a further 5 per cent on
In the meantime, selective the overal wages bill—to the strike action, which has held union's 200,000 members. up the issue of 17m computer. Mr. Norman Stagg, ass

thought to be quite far apart, particularly on the productivity

Management is seeking agreement on a number of issues, including work measurement and improvements in diverting Mr. Norman Stagg, assistant mail from one office to another

munications members had now had an offer in line with that accepted by the Post Office

Engineering Union, That union s

deal is based on similar figures

to the offers made to the Society

The overall package is still not

acceptable to the postal workers'

negotiators, but there is some

optimism that the basis for a

settlement may be agreed

Management has also put for-

ward various pay and produc-tivity proposals to the union's

150,000 postal members. These negotiations are much more

difficult, and the two sides are

and the CPSA.

shortly.

Customs officers' cuts protest causes only slight delays

BY OUR LABOUR STAFF

custom officers throughout Britain appeared to have led to few delays at most air and seaports over the weekend.

Heathrow said there some queuing yesterday but this was to be expected on one of the year's busiest holiday weekends and had not been caused by the work to rule in protest at staff cuts

There were some delays for up to 90 minutes because of severe congestion " Europe and the Middle East. Aircraft flying into Heathrow to take out flights again were

The dispute by 500 customs officers is part of a fortnight's official action by the Society of Civil and Public Servants in protest against Government plans to cut customs staff by 1,800 this year and a further 6,000 next year.

The action is being carried cut at all ports and airports. Only one man was on duty at the long haul green channel, which left passengers free to pour into Britain at a rate of ,000 an hour unchallenged. Mr. Geoff Eteso, the Society of Public and Civil Servants'

national officer, said: "Smugglers are walking straight through with no one to stop men were handling every article them. We need more staff to and examining everything. cope and not less as the Government plans." After 500 angry travellers

INDUSTRIAL ACTION by Uxbridge magistrates' court Derby, a truce was declared yesterday and arrivals waited patiently for up to an hour. British Midland Airways said: 'The passengers seem to have made their point and today they queued for between 45 minutes and one hour waiting to go through Customs.

"Arrivals from Spain, Jersey and Palma found things a bit . slow but there was no repetition of their protest demonstration." Saturday, about 500 people, returning from Medi-

terranean resorts and tired with crying children, stormed i through Customs barriers leaving Customs officers powerless. One of the passengers from Majorca, said: "The customs

People just took the matter into their own hands, got their trolleys and charged through

inquiry into steel industry WORKERS AT the Shotton steel which affects Shotton-are

plant, North Wales, where iron running of the steel industry.

says that it has proof that the British Steel Corporation pro- larly on steelmaking areas." duced deliberately misleading figures in 1974 when it first put to the Government evidence to making at Shotton. support plans to close steelmaking at Shotton.

Government to order an immediate, independent inquiry into the full financial and technical implications of the corporation's plans for the industry,

Closure

The "Shell" Transport and Trading Company, Limited announce that further to the company of the company within the meaning of the Erchange Control Act, 1947 or by an Approved Agent in the Republic of Ireland Share certificates will be issued in definitive form.

Stormed through Customs at the Customs. It was a wonderful with the authority of the customers both home and the East Midlands airport, near sight. People were very angry." Government—such as that abroad." with a future.



With petrol the price it is, travelling by train has never made more sense.

You save precious energy. And so does the country.

By comparison, other forms of transport are costing us dear.

The estimated m.p.g. per passenger in a Ford Cortina is 32; in a Boeing 747, 76; and in a 125 High Speed Train, 400.

The fact that our railways are sparing in their use of oil is important in today's energy crisis.

The fact that they are not dependent on oil may prove vital in tomorrow's.

Electric trains will run on alternative sources of energy: coal, gas or nuclear.

So railway electrification now means we can keep going in the future.



mful

Duilding and Civil Engineering

Over £4m contracts for Laing

CONTRACTS JUST received by John Laing Construction are the council's programme of worth over £4m, and include a modernisation and work includes at Lawton Moor. Majority of

renovations are carried out.

\$2.4m project for Manchester removing fireplaces, renewing City Council for transformation sanitary fittings, modernising of nearly 500 pre-war dwellings electrics, installing central heatof nearly 500 pre-war dwellings electrics, installing central heat-This covers modernisation of ing, fitting new kitchens, carry-231 houses and 44 flats at Barlow and container and 208 houses and 12 flats plete redecoration.

dwellings are occupied - flat flm, are for improvements to theatres, dwellers will be temporarily re-be carried out to the existing housed by the council, but the Thames river wall (£700,000) house dwellers, except in the for Southern Water Authority. cases of possible hardship, will and underground heating mains department in a hospital shell remain in residence while the to be renewed under a £300,000 recently completed by another

Two schemes are involved in for £700,000, awarded by the Welsh Health Technical Services Organisation at Ysbyty Glan Clwyd. Work at the District General Hospital in Rhyl in-Two other contracts, totalling volves finishings to operating lin, are for improvements to theatres, pathology, dental carried out to the existing X-ray, renal dialysis units and ducts and radio pharmacy

More work at Port Sudan

LIVESEY AND HENDERSON. troin the long-term development of an oil berth which may later study and Phase I Development be converted to provide an extraction of the long-term development of the engineering carried out over the timidford, Surrey, has been past four years and now instructed by the Sudan Sea completed. Ports Corporation to continue The latest work includes with detailed designs and extensions to Berths 16, 17 and preparation of contract documents for Phase 2 of the 18, reconstruction of Berths 12 and 13, and associated dredging development Sudan and surfacing of land areas behind the berths.

additional grain export facility. A new Sea Ports Corporation headquarters office block, comprising offices, board and committee rooms, lecture theatres and canteens, is to be

Projects in Final works to complete a new hospital in North Wales are to be carried out under a second

to Wimpey

MAJOR MANAGEMENT con-

tract for the construction of

manufacturing and office facili-

ties for Digital Equipment at

Basingstoke Road, Reading,

Berks., at a total value of £9m

has been won by Wimpey Con-

Work has already started and

completion is due in January

The office and manufacturing

building will be a single storey

structure of about 12,000 square

metres linked by a pedestrian

"street" to a two-storey struc-

Structure, in steel frame, is

in the form of intersecting grids

forming square bays sur-

mounted by square based

Roof and external elevations

are to be clad with a proprie-

tary steel sandwich cladding

with roof lights at the peak of

The building will be fully air-

conditioned, and the contract

will also include associated

roads and external works.

pyramids, says Wimpey.

each 'pyramid.

struction (UK).

1981.

TWO CONTRACTS in East Africa, worth together £81m. have been awarded to Mowlem.

The largest is a £6.5m project in north east Kenya where work has just started for the Ministry of Works on the reconstruction construction of a sterile pro- of 44 miles of highway between Meru and Maua. The road will be single carriageway and comis due in mid-1981. Consulting engineers are East African Engineering Consul-

> The second contract, valued at £1.75m has been awarded by the Tanzanian National Development Corporation for the preparation of a site for a pulp and paper mill at Mufindi in the south west of the country. The company is to cary out general excavation, site levelling, ground compaction and road building. Consulting engineers are Sandwell and Co. of Canada.

£9m awards Mixed bag of orders

ROADWORKS, SEWERS, pipelines and regrading a colliery RAF Cardington for British tip add up to £2.75m worth of Oxygen is worth another work awarded to Reed and £165,000. Mallik.

In Scotland, two contracts for Grampian Regional Council in Aberdeen are a sewer renewal worth £179,000, and the recon-struction of 380 metres of on the Brecon by-pass. Other carriageway, footpaths and proreplace an existing system at a cost of £351,000. vision of main foul drainage to In the west of Scotland the

company is working on the Fasline 2,941 metre ductile iron water supply line for Strathclyde regional council.

Work has started on a £1m project on the Little Brammingham Farm housing estate at Nottingham. ture of around 13,000 square

Civil engineering work at

company's recently The subsidiary, acouired Griffiths (Contractors) has over £11m of new work including a £755,000 surfacing sub-contract jobs include repaving a carriage (£755,000), installing surface water drainage (£190,000), land reclamation (£72,000) and £310,000 on the trunk gas main from Rhiwderin

te Cefnon for Nacap. Further work in Wales valued at £341,000, is the regrading of 23,500 cubic metres of tip material and other works at South Celynen Colliery for the National Coal Board.

£2½m office development

COMMERCIAL UNION PRO by Hambro Life. PERTIES has commenced construction work on its 51,000 construction work on its 51,000 McAlpine, working to a design sq ft office development in the by architect Alec French centre of Swindon, at a cost of Partnership. sq ft office development in the £2.5m,

Main contractor is Sir Robert

Construction work is planned Site covers some two-thirds for completion in September, of an acre and is located in 1980 and the new development Station Road immediately will then offer very high opposite the main line station quality office accommodation and adjoining a new office attracting, says CUP, a single development being undertaken tenant of multi-national status.

OF MARLEY Total 🖟 leadership through tile technology

IN BRIEF

6 Contracts, totalling £1.9m awarded to Ernest Iteland Construction (Mowlem Group), Bridgewater, Somerset, an extension to Harveys of Bristol an office conversion in Bristol. an extension to a Cheshire home at Timsbury - and an annexe for a country hotel near

Rath. English Industrial Estates Corporation says work has started on an advance factory of 450 square metres for the Earby, North East Lancs, under a contract worth about £131.000 awarded to B. B. Kirk (Construction).

opened an office today in Aberdeen at 35, Back Wynd (0224 54796) which has been estab lished primarily to serve the needs of the north-east of Scot-

Refurbishment by Wates

PRIVATE AND public sector to spend almost Fim on the jobs awarded to Wates Special conversion of 60 dwellings in Works total over £1.3m.

Tonbridge House to form 50

This work is to follow on

programme.

Refurbishment of the second unidern maisonettes and flats.

foor of Oxford Street's Evelyn Feature of this scheme is the House has started at a cost of provision of flats for the dis-300,000 for the London and abled and work also includes Mancheste: Assurance Company, new joinery, new kitchens and On the Hillview Estate, WCL, bathrooms, roof insulation and London Borough of Camden is district heating.

Cold store in Swindon

from Junction 16 on the A420- two or three years,

WORK 15 just about to begin at will aim to meet the increason a cold store at Swindon for ing demand for cold storage in Tempor Severnside at a cost (for the area, particularly from the the first phases of about £1.5m. dairy industry which has greatly Enjoying a position so near to the M4-a few hundred yards increased in the UK in the last

Factories in Plymouth

Tennical News

ADVANTAGE has been taken form squared. As the ripple

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

Compact motor drive

lation of the armature current power will be reduced.

venient and compact drive derated as

COSTAIN Construction has been steel frame construction on awarded a contract worth over concrete bases with brick clad-2500,000 to construct 13 factory ding to a height of 2.5 metres the Council of the City of and pve metal cladding above. units at Beliver, Plymouth for

by Small Electric Motors of the

relatively small size of the per-

produces a particularly con-

The permanent magnet de-

the field windings are

motor is intrinsically of smaller

diameter for the same output

replaced by compact anisotropic

ceramic magnets. Also no heat is generated by the field cells, giving a cooler and more

Pulse modulation for power

input control has the advantage

that the form factor of the wave-

form supplied is very low (the

figures are: 1.0 for dc, 1.3 to 1.6.

for thyristor controllers and

1.05 for the SEM pulse width

Torque produced is propor-

effect (which ultimately limits)

efficient machine.

The units which will vary in modation and gas heating. Work stro from 22 to 6.5 metres to has begun and is due for com-21.5 by 30 metres wil by of pletion in April 1980.

@ POWER

Each unit will have office accom-

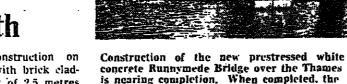
increases so does the form

factor so that, for the same heat-

controller equivalents.

Feature of this scheme is the

Also included is the design



125 metres long bridge will carry southbound

London orbital motorway while the existing

bridge, designed by Sir Edwin Lutyens will

traffic on the A30 trunk road and M25

truss frames with an in situ reinforced concrete deck. The truss frames were cast in halves clear of the river on either bank and this picture shows the final frame almost in position over the river. Consulting engineers are Ove Arup and Partners and the consulting architects are Arup Associates. Main



contractor is Fairclough Civil Engineering.

carry northbound traffic. Each bridge has a curved river span of 63 metres. The new

9 SAFETY AND SECURITY Two-stage burglar alarm

has a DOMETER intra-red intruders by means of a huilt-in hooter, it can-through

manent magnet de motor, which time effect the average current The alarm can be adjusted together with pulse width modu- and hence the torque and horse-Thus, the motor has to be the form factor increases. A form factor of 1.05 and the compactness of a permanent magnet machine means that the motors supplied by SEM with their systems are typically around half the volume of their field wound thyristor

> In addition, since the pulse repetition rate is 12 kHz, the response time is very short, giv-

ing faster response to demands. The company can supply systems for 1, 1 and 13 hp (370, 750 and 100 watts) and the speed is variable from zero to full. Speed accuracy can be maintained to a fraction of 1 per cent over a limited speed range, and at 2 per cent of base tional to the average current in zero to full load. The systems the armature while the heating plug into 13 amp mains socket. More from the company at the continuous output from a Kangley Bridge Road, Syden-motor) is proportional to the ham, London SE26 5AS (01-659) rms value of the current wave- 4021);

battery- made by various German crime zone-caused, for example, by

Radioactivity safeguard

and bone.

a radiation dosimetry system have an energy dependence

mulion detector especially designed for domestic premises as burglar protection. Besides warning of additional plug-in units-switch on the house and garden lights or alert the police or a security service via an automatic telephone dialling facility.

so that as soon as an intruder penetrates the detection zone. a quiet pre-warning is given before the main houter alarm is set off. This has the is set off. This has the advantage that a carelessly tripped alarm can still be switched off before the hooter is activated and therefore neighbours are not unnecessarily alarmed

offered by Wallac (Newbury)

and pade by Stadsvik in

Sweden is that it is able to

differentiate between beta.

gamma and thermal neutron

prevention agencies, four-fifths all intruders are deterredfrom breaking and entering by unexpected noises as, for example, a pre-warning alarm. Even if the intruder should find the alarm control box

within a few seconds of the prewarning alarm sounding and turn off the right control button -the control box has a second and completely identical dummy control button to confuse an intruder-it will not be of much use to him, as the switching pulse for the master alarm remains stored, and apart from the occupant, nobody can determine the "off" position from the other control button positions.

The optical system of the infra-red detector consists of six asymmetrically arranged zones for the next few weeks. More important it prevents which are all located at the

AN IMPORTANT advantage of to the radiation types but also off energy as visible light.

similar to the response of tissue

freed by the radiation become

trapped in lattice imperfections

In these materials electrons

registered at distances of up to 10 metres.

By the optimum placing of the detector, any room of normal size or only certain parts of it-such as those containing especially valuable objectscan be kept under constant surveillance.

Housing for the detector is of ompletely symmetrical design, and it is impossible without exact knowledge, to draw any are completely closed, conclusions as to the orientation of the detection zone. The hy battery used in the basic version guarantees an operating period of about one year. Every time the detector is activated an automatic signal indicates whether the battery will last

Siemens House, Windmill them from becoming too same level within an angle of Road, Sunbury on Thames, accustomed to the sound of the 90 degrees. Every rapid change Middlesex, TW16 7HS. Tel. hooter. According to studies of temperature in the detection (09327) 35691.

press for compression moulding of rubber has been developed by the Engineering Division of British Industrial The press, which has a clamp force of 120 tons, has a patented chamber moulding vacuum

An upstroking press designed for semi-automatic working, its vacuum chamber encloses the complete mould and enables a vacuum to be established in the cavity before punch and die

trials with a variety of moulds. says the company, have shown that vacuum chamber moulding provides a number of benefits

parts: elimination of porosity: shorter cure times (in some in stances by up to 50 per cent), and reduced downtime for

Hydraulic power for the press is supplied from a separate drive unit comprising an electric motor-driven pump balanced by a series of hydropneumatic accumulators. A drive unit fitted with three accumulators has sufficient power to run up to six of the

new presses. The unit can be sited remotely or underground. BIP will show the press for the first time at the Kunststoffe 79 exhibition in Dusseldorf. West Germany from 10 to 17 October.

mation for the creation and

update of a train planning data-

base within the IBM mainframe

Sheep are apt to roll about in hedges and fields, thus gather-

ing stones, wood and even barbed wire, but—if the shearer

were to encounter an obstruc-tion in the fleece—there is an

HANDLING

A SEMI-AUTOMATIC strapping machine has just been introduced to the UK market by Pakseal Industries. Pakseal House, Cordwallis Estate. Maidenhead, Berks. (Maiden:

Priced at £888 (plus VAT) No. the company says this is two-thirds or less of the price of

computers located at Blandford House, London. Datapad was chosen as the only device capable of capturing data at source, i.e. as it is generated by the train planners. which does not require keyboard skills. In addition to this the validation routines imposed by ping tool, but would not justify installation of more advanced.

ners, who possess the knowledge to correct them there and Transport then. This will minimise the by pipeline

LONDON 01-561 8118 - ABERDEEN (9224) 724333. GLASGOW (041) 332 7261/2 - WARRINGTON (0925) 810121 - TRANSFER CALL CHARGES GLADLY ACCEPTED 24HR. EMERGENCY MUNIESPOT-837 3567 Ex. 408

You are invited to get involved in the development of Queen's Dock. The Scottish Tourist Board is

promoting ideas for the development of tourist and leisure-related facilities for Queen's Dock, Glasgow, within the context of the development brief recently published by Glasgow District Council. Serious developers looking for opportunities to invest, as well as design and construction companies, are invited to contact the Scottish Tourist Board at the address

Research & Planning Division, Scottish Tourist Board,

23 Ravelston Terrace, Edinburgh EH4 2EU.



in the crystal and can remain there for many years. But if It uses both himum fluoride the temperature is raised the and impate for detection, electrons receive added energy thermoluminescent chemicals and escape to move to which not only recet differently luminescent centres and give

Liquefied gas check ABLE TO detect natural and liquenced petroleum cases such as propane and nutane hefore applications can be supplied and both include.

Engineering Products is available in a domestic lessure version and a more complex version for industrial use. The simpler type retails for £30 and might appeal to cara-van and boat owners as well as

they reach danger level, the Easigus unit from Horstman House and throughout a house. For industry, the other ver-Sion includes a heat detector, fail-safe self-checking elecfromes and a relay output to drive external alarms or to shut down supply valves.

More from the company at householders. It is completely Newbridge Works, Bath (0225

self-contained and uses a semi- 21141). Sensitive head detector

AN EXTREMELY thin himetallie disc is used in the Apollo detectors have a sealed construcheat detector offered by Made- tion and are not affected by

The standard unit is designed contact arrangements ensure 135 deg. F and will restore at 97 quent closure occurs, the resist-plus or minus 7 deg. F. Other ance is low and does not jeoparversions have normally closed dise the alarm circuit contacts, or will operate in the high ambient temperature condelines of botter rooms and

These fixed temperature heat well Electronic Products and corrosive atmospheres, dirt or complying with BS 3116. dust. In addition, gold-plated

More from the company at 2a Railway Road, Urmston, Manchester M31 1X3 (961-748)

photomultiplier tube. Results are printed out by a teletypewriter and can also be seen on a six decade led display or fed to a calculator or computer.
More from Wallac at 112
Bartholomew Street, Newbury,
Berks. (0635-49429). INSTRUMENTS

within the ICI Petrochemicals

100 and 1000 milliarads/hr. A useful instrument for the

radiation intensity AN INSTRUMENT developed

Division for use in day-to-day physics and radioisotope work is to be made available generally. Contained in a glass reinforced plastics housing measur-ing 160 x 125 x 250mm and weighing 2.25kg, the instru-ment, designated PRI-9 measures gamma radiation intensities in four switched ranges of 1, 10.

demarcation of safe areas during industrial radiography on chemical plants, oil rigs and in operate (contact cineme) at that when the generally infre- other installations, the monitor has been granted as BASEEFA Certificate of Assurance.

More data from Physics and Box 2. Billingham. Cleveland,

system.

Production use and extensive

including: reduced scrap, espe-

In an automatic reader, the dosimeters are heated and the light intensity measured by a

Datapad, with its simple hand-writing technique, will be used to input basic timetable infor-

AGRICULTURE

BECAUSE SUCH equipment is generally used in an agricultural environment where

4141). potentially accessible metal parts are covered by two layers of insulation—none can



Offshore structures conference

will be vitally interested in the for technologists to meet the Second International Conference on Offshore Structures BOSS 79—to be run by BHRA Fluid Engineering at Imperial College in London from August In the company's epinion, there

event is coming from Delft the action." University of Technology, MIT, Norwegian Institute of Technology and the University of

The opening address is to be presented by Professor James Lighthill of Cambridge University and he will deal with a Safety Executive of the UK as particularly important problem -waves and hydrodynamic loading—having regard to the fact that "exceptional" waves in the North Sea, of 100 feet in height, have been occurring far more frequently than nonwould have Naval types

duction platforms and subject them to the most rigorous simulated testing, there is still room. for improvements in estimation techniques and these will be suggested by the professor.

severe challenge of designing safe and efficient offsea structures to a reasonable time scale. is a need for more of the Support for this important nation's talent to "get closer to An important paper on con-

crete oil storage structures deals with the problems created by periodic filling with hot crude, followed by emptying and purging with cold seawater.

Authors from the Health and well as King's College, London, contributed to this paper which closely examines the stresses that can be expected in such storage systems, with special attention to conditions in which stressing can reach undesirable states.

Foundation problems in the Although it is possible to North Sea are particularly build computer models of pro-important, having regard to the posed designs of drill and pre-fact that in many areas, the sea bottom is made up from little more than many tens of feet of comes a paper on the design of contractors involved in offshore the Statifierd A platform and its operations....

driving, which goes back over engineering experience to the first offshore pile driven under water in the Gulf of Mexico in

Germane to this study is one

devoted to underwater pile-

From Wimpey comes a call behaviour under storm and

creep effects.

1974. It is contributed by the HBG organisation of the Netherlands. From a UK group comes the observation that, during offshore construction in concrete.

through existing building codes, that loads act in a single direction and fatigue is not a Neither of these assumptions is true in offshore structure work, the authors observe, set ting out a series of axioms re-

North Sea conditions which could save future designers and their employers many millions of pounds in building costs. These are necessarily only a few of the many significant papers to be presented and discussed at the Imperial College

lating specifically to design by

"toothpaste." From the Nor-wegian institute of Technology to most civil engineers and the

• PROCESSES

Moulding of rubber

A NEW design of its Bipel cially on high quality precision Plastics (Turner and Newall), cleaning, and polishing of

DATA PROCESSING Will capture the details

BRITISH RAIL Board has placed an order with Quest Automation for the supply of Datapad equipment for use within train planning offices at six locations in the UK. The first is in use at York and the remainder will be delivered to Crewe, Glasgow and within the London area. All systems are required to be operational by early 1980.

The order, valued at £200.000, the system will enable logical includes 36 Datapads. These errors to be detected as they will be driven by a total of six arise and displayed to the planting of the planting o stand-alone systems, each comprising a mini-processor, dual diskette and magnetic tape unit. They form part of an advanced delay and inconvenience which British Rail train planning configuration, involving both the errors detected at the mainworking timetables and GB pastrame. The hard copy record senger timetables. This is due produced when entering data A COURSE, said to be of to become operational in the early 1980s.

Safer for sheep shearers

electrical installations may not be the most perfect, a speed sheep shearing set has been doubly insulated in order to obviate any danger to the user, says R.A. Lister Farm Equip Dursley, Glos. (0453

come into contact with the shearer—and no earth wire is fitted or required. Drive shaft attachment features a new quick release

Radiotsotope Services. ICI coupling which enables fast Petrochemicals Division. P.O. release of the handpiece and detachment of the drive shaft from the motor.

The Queen XX decolates Norgren Air Aces

Makers of the unique
Olympian plug-in' system
and world leading suppliers of compressed air processing equipment.

IMI NOPOPEN LTD.

Strapping

head 26381).

other semi-automatic strapping machines currently available on the home market. It should be ideal for use where the quantity of packages to he strapped, say, around 100 a day, is too great to be handled economically by a hand strap-

FAIRG WA CHAINE :

SALE SALES

Salva Malandar &

in the state of the state of

THE PERSON NAMED IN

semi-automatic plant.

into the Datapad system will be interest to anyone whose work retained as a permanent record involves moving large amounts of materials between (we points Quest Automation on 0202 horizontally or vertically, will take place at the University of Kent. Canterbury, September 24 and 25.

Organised by BHRA Fluid Engineering, Cranfield, Bed-ford (0234 750422), the inten-sive short course will cover. such iopics as are concentrates and tailings pipelines, wear in pumps and pipelines, classifica-tion of flow regimes, dense phase flows, homogenous and helerogeneous slurries, instru-mentation, and economics.

electrical wire and cable? Thousands of types and sizes instade for immediate delivery

Robert Oakeshott examines how a series of 'multi-project' community ventures initiated by the Highlands and Islands Development Board may mark the beginning of the end of the old croft image in the Western Isles

Thinking big in a Hebridean backwater

a £10m grant to the Western to £10,000. Isles of Scotland. If the representations of Mrs. Winifred Ewing, the newly elected Euro- well cost over £100 000 and per-MP for the area, are successful, haps twice that. The Scalpathere is a strong case for channelling a large part of the funds into community projects currently being initiated by the Highlands and Islands Development Board.

With this in mind, two senior officials of the EEC's fisheries division recently visited the Western Isles, their furthest port of eall was the island of Scalpay, no more than three square miles in area and supporting a population of around

The main project which the respective Scalpay Co-operais hoping to launch is -- ably the most exciting of " to get off the ground in ext year or so as a result

cost of each of the 20

However, no one is flinching at an investment which may community has elready ra £7,000 in three months, and is confident that if will achieve its final target of \$20,000 well before any actual investment could be scheduled to start.

Co-op shares

Some of this money has and will come from friends and relatives of the islanders and through local activities. But the largest part will be generated by Scalray's population in the oun of subscriptions to " community co-op's shares. The average share subscription per Island household will almost certainly have to be well over £50. That is significantly the HIDB's initiative. For higher than what the HIDB has is being proposed in expected when the whole expected when the whole scheme was launched; and also minity co-op standards, a higher than the average for and highly other embryo community co-ops his cated project a fish pro- which are being formed On the other hand, if would

cost of each of the 20 not be the highest "per house-lobs expected to result hold" figure so far achieved. the plant is not expected. That honour apparently goes to HDB to be less than the small island of Papa

subscribed £4,000 between them. There are at least two good

reasons for believing that the Scalpay plans for a fish processing plant will be converted into reality. The first is the calibre and business experience of the leading figures on the prospective community co-op's steering committee. In contrast to what has happened in some other the Hebrides, the Scalpay fishing fleet has been modernised and even increased over the past 15 years. It now provides work for up to 50 of

the island's able bodied men. The island's fishermen have schemes which have encouraged investment. The upshot is that a prosperous island community and one which has been notably successful in holding on to its

The second factor which en-courages optimism is the cohesion and solidarity of the island community. This has been exemplified most recently by the high level of subscriptions to the co-op's shares. Older values of solidarity also show up in the income distribuarrangements of

Westray on the northern edge island's fishing boats (as, of It is also a condition that the of the Orkneys, where the 35 course, of many others in the co-op undertakes not to pay out identical shares.

Typically, gross income is divided into the proportions 40, 30 and 30 per cent; the 40 per cent takes care of all outgoings; 30 per cent goes to ownership to cover depreciation, financial charges and a profit share; and the final 30 per cent is then divided equally.

This combination of business experience and individual leadership qualities on the one taken full advantage of various on the other makes Scalpay a specially promising setting for these new ventures. The extra inducements offered by the HIDB to help them along are essentially two: a matching grant towards the co-op's capital-equal to whatever sum the community itself raises; and a grant to cover the costs of the co-op's manager, up to £7,000 a year for the co-op's first three years and up to £3,500 for the following two.

> It is of course a condition of receiving these benefits that the co-op's actual projects should satisfy the board.

resident households have so far area); the agreed net income any money on its shares over of a Scalpay fishing boat is the first five years. On the other divided equally between all hand, having satisfied the concrew members with the skipper ditions for the Board's special and the cook-boy receiving grants to co-ops, Scalpay projects, like any others, are eligible to benefit from the normal range of assistance which it offers to new and exist-

ing enterprises: grants, low in-terest loans, and so on. But it would be wrong to imply that Scalpay is the only potential success story likely to result from the HIDB's initiative. By the end of last year four community co-ops were in existence: two in Lewis, at Ness and Park, and two on the small southern Hebrides islands of Eriskay and Vatersay. All these have now appointed managers and all have at least one project in operation. Others are not far behind.

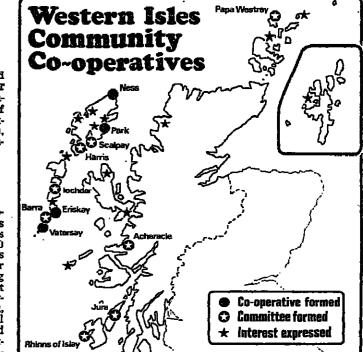
And' the span between the formation of a local committee to the formal establishment of a community co-op should now speed up: after almost two years getting the agreement of the Registrar of Friendly Societies

by the Registrar. So when, for example, the Harris co-op committee talks of the prospect of registration soon and of appointing a manager in the autumo, that timetable may not be un-

Not typical

But, of course, Scalpay's proposed fish processing plant is not typical either of the projects already launched or of the 60 additional ones in various stages of preparation. On the other hand it would be equally wrong to think of the typical project as falling into the ing" category. Fish farming, boat repairs, sheep and seal skin products, bakeries and mechanical peat cutting are examples of projects under consideration. Plant hire, building, horticulture and knitwear are examples of other projects

It is early days to assess the of hassle and argument the likely long term impact of these Board has recently succeeded in new ventures. The degree of local support is much greater than had been expected. There to a set of model rules for these can be little doubt that a surviventerprises. With any luck there ing community solidarity has will now only be a few cases been an important source of this for which special constitutions encouraging response.



It is tempting to contrast this new approach by the Board to the problems of the Western Isles and of other remote and isolated communities in its area with that of Lord Lever-hulme in the Hebrides, and partury ago. Something approach- expenditure.

ing £500,000, in the money of the 1920s and 1930s, was spent by the then Lord Leverhulme in "top downwards" effort to achieve development in Harris. A few houses in Leverburgh, at the south end of Harris, are all ticularly in Harris, half a cen- that remain from that colossal

Ground rules for participation

o of increasing employee the closing words of the British sultative structures are ignored. is trute of Management's latest survey report* published today, of co-operation and communiembraced or not embraced at setting up any formal committee gained from this changed ap director cannot tell his senior 2.0 ch to management, but staff to encourage participation have will take time to mail. If he continues to take auto-

themes to come from this come the reverse may occur," mendable study of participation. According to Peter Reilly, and democracy in industry, for suther of the report, there are

"LEANTES toying with the expectations, only to let them growth of trade unions; govern down when it comes to taking a ment legislation; changing social difficult decision and the con-'It is essential'for the basis Puricipation must be fully cation to be established before

There are benefits to be system. Equally, a managing the cratic decisions, himself. In e im patience will be other words if the implications to red. However, the long for the whole system of decision term rewards to be derived from making are not thought policy could be through the consequences may be that rather than morale and This is one of the major performance being improved,

other words to company should five main factors which can be in service to employee isolated in tracing the developput of pation and thereby raise ment of employee participation:

and economic environment; influence of European experiments and EEC proposals; and the changing attitudes of manage-

The reason that companies in

troduce participation is usually either on philosophical or prag-matic grounds, notes the report. The former is the belief that employees have a right to be involved in decision making, because they have as big a stake in the enterprise as the shareholders. And behind the pragmatic approach lies the hope that it might lessen the conflict between employer and em-ployee, benefit industrial relaincrease emplovees commitment to the aim of the enterprise and lead to greater Meiener and productivity.

"Whatever the reasons," warns the report, "it should be remembered that there are un-Tikely to be immediate benefits. Employers should not be surstill see their interests as being in conflict with those of the company. In many cases this may be justifiable, for instance where redundancy is a possi-Participation should used as a carrot to be replaced by the stick when the company wished to coerce its employees. In the context of

disaster." *Participation, Democracy and Control, bu Peter Reulu, is available from the British Management, Management House, Parker Street London, WC2, price £21 (£14 to BIM members).

UNLESS CHANGES in the structure of personal taxation halt the trend, many of Britain's executives will continue to move inexorably towards the day when they will receive more in benefits than they do in straight salary. Already, the average cost of providing benefits comes to one-quarter of payroll, according to an extensive study conducted by Hay-MSL, the management consultants. And two companies reported that their benefits accounted for more than 50 per cent of payroll.

What is extraordinary is that 49 per cent of the 224 organisations surveyed, ranging from the small to the very large, simply did not know how much employee benefits were costing

Hay-MSL reports that companies concerned at the growng costs of benefits have begun to re-examine the "cafeteria" vstem-where employees may choose from a selection of benefits. "The system has been sub ject to reservations, often unsub stantiated, on potential administration difficulties, but several organisations are reviewing the

possibility of its introduction." Where companies do providemployees with some kind of choice, notes the survey, it is nearly always very limited. This latest survey provides further proof that the company

car is just about universal with providing either cars or, at least, car allowances. But what is remarkable is the apparently low levels of salary at which company cars are provided where they are not required as part of doing the job.

organisations provided cars automatically at a certain salary or job level as a perk or to show management status. The companies were asked for the Jason Crisp lowest salary level at which

Benefits — going beyond the fringe

they supplied company cars, facilities for the employees and periodic medical examinations pension schemes may be seekper cent of the organisasaid it was less than £9,300, 23 per cent were below even £7,500. The average minimum level at which cars were provided as status was £8,740. Two-thirds of the organisations polled allow some employees first class travel and very nearly a half are prepared

to pay for spouses to accompany employees on business trips, including to conventions and conferences. Virtually all the did not-provided either can-requirement." dining facilities or luncheon vouchers (normally a slimming 15p a day),

simply to underline status, and nearly two thirds made arrange- for their employees, although ments for employees to buy this is usually for senior company goods or services at a

tions surveyed said that they location to another 99 per cent may grant sabbatical leave to some employees but the manage and 92 per cent pay a disturb-ment consultants note: "Many ance allowance usually of one organisations grant additional month's salary or 10 per cent paid, part-paid or unpaid leave of gross annual pay. for particular reasons, including military reserve training, marriage, death of a near-relative and sometimes maternity schemes over and above those provided. organisations—only 3 per cent leave in addition to the statutory

organisations pay some or all shows a trend towards improveslimming 15p a day), the costs of medical insurance ments in death in service bene-four out of every five pro-vided sports and/or social And eight out of ten provided area in which private sector

management. Where companies are trans-

Only 13 per cent of organisa- ferring employees from one of companies provide assistance Hay-MSL found many organi-

changes necessary to meet the contracting out requirements of the Almost seven out of ten State scheme. "The survey

ing to offset the attraction of the guaranteed inflation proofed pension provided by the public

Hay-MSL recommends that organisations should examine the costs of providing benefits spent in providing benefits that are not appreciated or wanted?" It also counsels companies to sations had been making find out whether employees are in their pension aware of the benefits being

1979 Employee Benefits survey is available from Hay-MSL, 52 Grosvenor

IASON CRISP

1) ROLLING POLLS

ROSE ING. MALES.

20in x 10in x 150 kip. Two High Reversing Mill.

5in x 12in x 16in wide variable speed Four High Mill.

3.5in x 6in x 9in wide variable speed Four High Mill.

10in x 16in wide fixed speed Two High Mill.

10in x 16in x 20in wide Four High Mill.

6in x 16in x 20in wide Four High Mill.

2) CUT/LENGTH LINE 1,000 mm x 2 mm. 3) CUT LENGTH LINE 750 mm x 3 mm.

4) CUT/LENGTH LINE 400 mm x 3 mm. 5) WHEN ATTEMING & MARROW STRIP ROLLING

6) SLITTING LINE 920 mm x 10 ton coil by Cam-7) SLITTING LINE 300 mm x I ton coil by Cam.

8) SLITTING MACHINES 36" and 48" by Weybridge. 9) 350 h.p. REVERSING MILL, 20in x 30in rolls, Farmer Norton

10) PLATE SHEAR He x lin Cincinnati. 11) GUILLOTINE Str x 0.125ig Pearson.

12) No. 1 FICEP SCRAP SHEAR, 75 x 35 mm bar. 13) SHEET FEVELLING ROLLS, 920, 1,150 and 1,850 mm wide.

14) HYDRAULIC SCRAP BALING PRESS. Fielding & Platt. 15) PORGING HAMMER 3 CWC slide-type. Massey. 16) YACUUM EURNACE 100 kw. Herdiekerhoff:

17) AUTOMATED COLD SAW, non ferrous. Noble & Lund. 18) WIRE DRAWING MACHINE & BLOCK (16in). Arboga.

17) WIREDRAWING MACHINE 6 BLOCK (22in), Marshall Richards 25) ROD DRAWING MACHINE 9 DIE. Barcro. And spooler

21) HORIZONTAL DRAW BLOCK 36in. Farmer Norton.

22) BAR & TUBE REELING MACHINE (2m). Platt. 23) WIRE DRAWING MACHINE 9 DIE cone type. Unity. 24) WIRE DRAWING MACHINE 15 DIE cone type. Marshall

25) COMPLETE BICYCLE RIM MANUFACTURING PLANT disposal, capacity 300 rims per hour.

> Wednesbury Machine Co. Ltd. Oxford Street, Bilston, West Midlands. Tel. 0902 42541/2/3. Telex 336414

McKay 8' SHEET METAL PROCESSOR UPSET FORGING MACHINE 4 in dia. 750 ton . WICKMAN 11 6SP AUTOMATIC. Reconditioned WICKMAN 24 6SP AUTOMATIC. Reconditioned CINCINNATI CENTRELESS GRINDER. Excellent 1500 IGN CLEARING D A PRESS Bed 180" x 96" 200 TON SCHULER HIGH SPEED PRESS, 200 spm LUMSDEN GRINDER 84" x 24" magnetic chuck HISCHER COPY LATHE TYPE 18/150 NATIONAL COLD HEADERS | " x | " dia. recon.

BARBER & COLMAN 16-16 HOBBER, 25 new

Rolls Tools Ltd., 134/6 Blackfriars Road, London SEI SEN Tel: 01-928, 3131 - Telex: 261/71

For non-stops to Atlanta, Georgia call Delta in London



Or call Crawley (0293) 517600. Ticket Office is at 140 Regent Street, London WIR 6AT TriStar leaves Gatwick daily at 1205. Delta is ready when you are ® 🛦 🗀 🗮 🗀 🕳

Schedules subject to change without notice.



U.S. \$50,000,000 Hapoalim International N.V.

> Guaranteed Floating Rate Notes 1983 For the six months 6/8/79 to 6/2/80 The Notes will carry an interest rate of 11 %% per annum Coupon Value \$584.58

Listed on The Stock Exchange, London

Air Iransport in the Developing World

SINGAPORE-NOVEMBER 20 & 21 1979

Air Transport is increasingly recognised as a major tool of economic growth throughout countries of the developing world. The expansion of both passenger and cargo traffic through the 1980's is likely to become one of the biggest areas of investment.

The Financial Times is arranging an aviation Conference devoted to Air Transport in the Developing World at the Shangri-La Hotel, Singapore on November 20 & 21.

A distinguished international panel of speakers will help to

identify and suggest solutions to the problems this expansion may cause -

- * in purchasing new fleets of aircraft
- * building new airports
- * creating the complex infrastructure that civil aviation and the customer requires.

For full details of the agenda and registration procedures, complete and return the coupon

AIR TRANSPORT IN THE EVELOPING WORLD

To: Financial Times Limited. Conference Organisation, "AIR TRANSPORT IN THE DEVELOPING WORLD" Bracken House, 10 Cannon Street, London, EC4P 4BY. Tel: 01-236 4382. Telex. 27347 FTCONF G

Please send me full details of your conference "Air Transport in the Developing World"

Name	Company						
Address							
1.		-					
· · · · · · · · · · · · · · · · · · ·							

A FINANCIAL TIMES CONFERENCE

Official Distributors for Rolls-Royce and Bentley.

1978 June Rolls-Royce Silver Shadow II Salcon, Caribbean Blue, Magnolia leather. Speedometer

reading 8,800 miles.

1977 Aug. Rolls-Royce Silver Shadow II Saloon.

Champagne, Dark Brown leather. Speedometer

Champagne, Dark Brown learner. Speedometer reading 7,700 miles.

1976 Aug. Rolls-Royce Silver Shadow Saloon. Seychelles Blue, Beige leather. Speedometer reading 36,500 miles.

1976 Jan. Rolls-Royce Silver Shadow Regency Bronze, Beige leather. Speedometer reading 9,000 miles.

1976 Feb. Rolls-Royce Silver Shadow Saloon. Pewter, Green leather. Speedometer reading 39,500 miles.

1975 Feb. Rolls-Royce Corniche Saloon, Moorland,

1975 May Rolls-Royce Corniche Convertible Coupe.
White, Dark Blue leather, Dark Blue hood. Speedometer reading 32,000 miles.

meter reading 32,000 miles. £39,250.

1973. May Rolls-Royce Silver Shadow Saloon. Black over Walnut, Black leather, electric sliding sunroof. Speedometer eating 38,600 miles. £18,950.

1973 May Bolls-Royce Silver Shadow Saloon. Alpine Grey, Beige leather. Speedometer reading 68,000 miles. £17,234.

Grey over Seychelles Blue, Dark Blue leather.
Speedometer reading 45,000 miles.

1973 May Rolls-Royce Silver Shadow Saloon Sage
Green, Green leather. Speedometer reading 48,000

1972 June Rolls-Royce Silver Shadow Saloon. Coffee Bean Brown, Magnolia leather. Speedometer reading

25,000 miles. £18,956 1972 July Rolls-Royce Silver Shadow Saloon. Caribbean

Blue over Seychelles Blue, Dark Blue leather. Speedo-

meter reading 44,500 miles. £17,950
1972 June Rolls-Royce Silver Shadow Saloon.
Seychelles Blue, Beige leather. Speedometer reading 68,500 miles. £16,950

1978 June Rolls-Royce Corniche II finished in Willow Gold with Beige hide interior and Brown Everflex roof. 6,000 miles.

1978 Dec. Rolls-Royce Silver Shadow II finished in

Chestnut with Beige hide interior, 900 miles. 1978 Sept. Roils-Royce Silver Shadow II finished in

Everfler roof. 14,000 miles. 1978 Jan. Rolls-Royce Silver Shadow II fluished in Cardinal Red with Beige hide interior, 1,000 miles: 1978 Jan. Rolls-Royce Silver Shadow II finished in Gunmetal Grey with Grey hide interior. 10,000

1976 Feb. Rolls-Royce Silver Shadow finished in Shell Grey with Surf Blue hide interior. 36,000 miles.

1975 Mar. Rolls-Royce, Silver Shadow finished in:

Peacock Blue with Beige hide upholstery. 30,000 miles.

1975 July Corniche Convertible in Walnut with Beige

hide upholstery and Beige hood. A beautiful one-owner car. 30,090 miles. Offered at £39,850

1976 Jan. Corniche 2-door Saloon in Silver Chalice

with Black Eyerflex roof and Deep Red ride upholstery 23,000 miles only. 538,000 1978 Mar. Rolls-Royce Silver Shadow II in Chestnut with Beige upholstery. One owner, 17,000 miles.

1977 Aug. Silver Shadow in Honey with Brown

Evertiex roof and Beige hide upholstery. Picnic tables.

7.300 miles. Superb. £35,500 1976 model (regd, Nov. 1975) Silver Shadow in Moor-

standing; to be registered with a 'V' Reg. No. on Ist August £26,850
1974 Aug. Flared Arch Silver Shadow in Seychelles
Blue with Blue hide, 61,400 miles. A sound invest-

WADHAM STRINGER

Price on application

Lisbume Square, Torquay, Tel. (0803) 24321

Shell Grey with Red hide interior. 3,000 miles. 1978 March Rolls-Royce Silver Shadow II finished in Cardinal Red with Beige hide interior. 17,000 miles... 1978 Feb. Rells Royce Silver Shadow II finished in Chestnut with Magnolia hide interior and Magnolia

Voodbridge Road, Gulidtord, Surrey. Tel. 69231. Tb. 859255

GUILDFORD

TORQUAY

1973 Jan. Rolls-Royce Silver Shadow Salson.

89 11 Beige leather. Speedometer reading 4,800 miles:

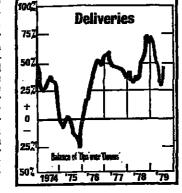
H. A. FOX 34 Dover Street, London. Tel. 01-499 8000

FT Monthly Survey of Business Opinion

GENERAL OUTLOOK

Confidence still recovering

BUSINESSMEN in general are more optimistic about their companies' prospects than when they were last interviewed four months ago. There has been a particular improvement in confidence in the building and construction sector though comparisons are affected by the fact that in March this sector was particularly badly hit by poor spring and winter ther. There has been a slight improvement in optimism in the food and tobacco sector though the textile and clothing than it was in March.



A positive point highlighting recovery in economic activity since the troubles of the winter is the sharp improvement in the indicator of deliveries over the past four months.

In contrast, the indicator of export prospects over the next 12 months remains at a historically low level. Two-thirds of the companies interviewed this month specifically mentioned the exchange rate as a constraint and there was also con-

Are you more or less optimistic about your company's prospects than you were four months ago? More optimistic Neutral Less optimistic	4 :	nonthly	July 1979				
company's prospects than you were	Apr July %	Mar June %	Feb May %	Jan Apr. %	Const. Build. %	Foods & Tobacco	Text. 8 Clothin %
	45	41	40	32	44	48	<u> </u>
	38	40	31	33	27	30	76
Less optimistic	. 17	19	29	35	29	22	84
	rou more or less optimistic about company's prospects than you were months ago? More optimistic Neutral	rou more or less optimistic about company's prospects than you were nonths ago? More optimistic 45 Neutral 38	rou more or less optimistic about company's prospects than you were months ago? More optimistic 45 41 Neutral 38 40	rou more or less optimistic about company's prospects than you were months ago! More optimistic 45 41 40 Neutral 38 40 31	rou more or less optimistic about company's prospects than you were months ago! More optimistic Neutral Apr. Mar. Feb. JanJuly June May Apr. % % % % More optimistic Apr. Mar. Feb. JanJuly June May Apr. % % Reutral 38 40 31 33	rou more or less optimistic about company's prospects than you were months ago! More optimistic Neutral Apr. Mar. Feb. Jan. Const. May Apr. Build. % % % % % % % % % % % % % % % % % % %	rou more or less optimistic about company's prospects than you were months ago! More optimistic Apr. Mar. Feb. Jan. Const. Foods & Build. Tobacco % % % % % % % % % % % % % % % % % %

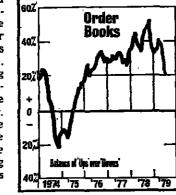
EXPORT PROSPECTS (Weighted by exports)

	_ 4 :	monthly :	moving t	otal		7	
	Apr July	Mar June	Feb May	Jan Apr.	Const. Build.	Foods & Tobacco	Text. & Clothing
Over the next 12 months exports will be:	<u></u>	<u>76</u>	<u> </u>		/0		<u></u>
Higher	54	49	61	57	44	58	65
Same	30	34	23	34	21	21	35
· . Lower	15	· 16	16	9.	35	· -21 ·	<u> </u>
Don't know	. 1	1		_	_	_	– · ·

ORDERS AND OUTPUT

Demand outlook improves

THE SHORT-TERM demand outlook for industry has improved. All three sectors were more inclined to report higher orders over the past four months than last interviewed in March. The improvement in building and construction reflected an interease in orders delayed by the bad weather earlier in the year. There has, however, been little change in the answers about the level of order books. But the number of companies reporting larger order books is much less than during the spring.



Both the food and tobacco. and the textile and clothing sectors expect rather larger in-12 months than they did last March. However, the figures must be treated with caution since apparently some of the companies mentioned acquisitions as being the source of their improved production/turnover. This benefits individual companies but has no net overall

IEW ORDERS	4 :	nonthly i	moving t	otal	
ne trend of new orders in the last	Apr July %	Mar June %	Feb May %	Jan Apr. %	Const. Build. %
Up	60	56	61	59	. 46
Same	14	16	18	13	10

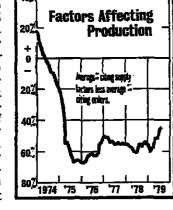
creases in output over the next PRODUCTION/SALES TURNOVER

Those expecting production-sales turn- over in the next 12 months to:	Apr July %	Mar June %	Feb May %	Jan Apr. %			Text. & Clothing %
Rise over 20%	4	. 7	7	9.	. – .		
Rise 15-19%	4	3	2	8	10 .		'5
Rise 10-14%	19	18	25	20	_	37	
Rise 5-9%	24	23	22	20	. 15	18	58
About the same	35	39	38	37	. 51	30	37
Fall 5-9%			1 .	1	·	_	
No comment	14	10	5	5	- 24	1,5	

CAPACITY AND STOCKS

Export difficulties mount

THERE HAS been no real change in the extent to which output is affected by demand rather than by supply factors. Although a shortage of home borders was less frequently mentioned than before, reference to export order difficulties have increased to the 50 per cent level. This has offset an increased number of mentions of the impact of labour disputes by the food and tobacco sector. Slightly fewer companies now say they are working below target capacity levels, though this



ing up in the building and construction sector after the poor

The index of expected levels of work in progress shows little change this month but there has been a drop in the indicators of levels of the stocks of raw materials and components and of manufactured goods. The number of companies saying their stocks of all types are too high has fallen compared with recent months. More companies now report that their stock

CAPACITY WORKING

	4 1	4 monthly moving total				July 1 9 79			
	Apr July %	Mar June %	Feb May %	Jan Apr.			Text. & Clothing		
Above target capacity	13	13	13	10	24	22	16		
Planned output	60	56	61	. 67	61	48	79		
Below target capacity	. 27	30	26	22	10	30	5		
No answer	· 	· 1.·.	_	1	. 5	_	— <i>-</i> -		

w materials and components over the ext 12 months will:	Apr July %	Mar June %	Feb May %	jan Apr. %		Foods & Tobacco %	Text. & Clothing %
Increase	33	41	44	41	20	18	16
Stay about the same	54	53	45	47	24	74	26
· Decrease	7	5	8	8	24		32
No comments	6	3	3	4	32	8	26
anufactured goods over the next 12 onths will:	_						
increase	13	27	30	30	10	4	11 🚴
Stay about the same	55	45	45	43	5	89	37
Decrease	6	7	9	9	10		47
No comments	26	21	16	18	75	.7	5

FACTORS CURRENTLY AFFECTING PRODUCTION

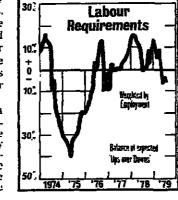
	Apr July %	Mar June %	Feb Mzy %	Jan Apr. %	Const. Build, %	Foods & Tobacco	Text & Clothing %
Home orders	67	72	78	76	. 76	82	64
Export orders	50	43	50	54	51	67	63
Executive staff	13	10	8	16	. 15	15	
Skilled factory staff	36	34	27	26.	41	. 15	79
Manual labour	9	9	8	14	_	_	26
Components	9	6	6	2	_	15	_
Raw materials	8	7	31	11		15	
Production capacity (plant)	10	13	13	13	15	18	37
Finance				1			
· Others	5	9	9 .	10	2		5
Labour disputes	39	26	27	27		74	5
No answer/no factor	5	6	6	3			

INVESTMENT AND LABOUR

Plans scaled down

INDUSTRY is now apparently scaling down investment plans. All three sectors are now more inclined than when interviewed four months ago to expect their capital spending to decrease rather than to increase. This is reflected in a drop in the four monthly moving indicator.

For the second month in a row the survey includes a question on the impact of exchange controls, though it is too early to assess the impact of the relaxations announced in the Budget and last month. central theme of most of the



answers is that controls have in the past offected the method used for financing overseas investment more than the level of spending.

change in the indicator of expected labour requirements. The building and construction sector was rather more inclined to say that it expected its labour force to increase rather than to decrease over the next 12 months than it had been last March, But the food and tobacco sector had an opposite view.

LABOUR REQUIREMENT (Weighted by employment) 4 monthly moving total

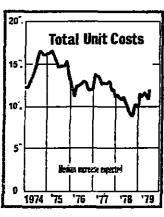
Those expecting their labour force over the next 12 months to:	Apr July %	Mar june %	Feb May	Jan Apr. %			Text. & Clothing
Increase	16	15	17	21	15	36	29
Stay about the same	60	65	58	38	64	39	36
Decrease	22	19	24	20	11	45	35
No comment	2	3	1	<u>-</u> i	10		

There has been little overall CAPITAL INVESTMENT (Weighted by expenditure)

-		4 г	nonthly :	moving t	otal_	_	July 1979	
	Those expecting capital expenditure over the next 12 months to:	Apr July %	Mar June %	Feb May %	Jan Apr.			Text. & Clothing
,	Increase in volume	44	49	50	52	17	39	42
Γ t.	Increase in value but not in volume	22	18	13	9	20	 31	
t	Stay about the same	8	14	14	19	20		10
٠.	Decrease	22	17	22	20	33	15	48
	No comment	4	2	1		10	15	

COST AND PROFIT MARGINS

Inflation dampens hopes



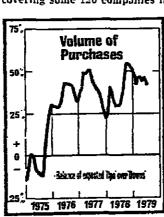
mistic than before about the expected increases in costs and The index for the time since the end of 1977.

In contrast to other recent surveys and forecasts, the latest interviews points to an improvement in the balance of companies expecting a rise in profit margins over the next 12 months. Both the building and construction and the food and tobacco sectors were rather more hopeful than they had been four months ago of a wider margin, though the textile and clothing sector was less optmistic.

These surveys, which are carried out for the Financial Times by the Taylor Nelson Group, are based upon extensive interview with top executives.

Three sectors and some 30 11 industrial sectors (mechcompanies are covered in turn anical engineering is surveyed every month. They are drawn every second month). median expected rise in wages from a sample based upon the over the next 12 months now FT-Actuaries' Index, which chased from Taylor Nelson and stands at 13.8 per cent, which accounts for about 60 per cent Associates.

THE DETERIORATION in the is higher than at any time since inflation prospects is fully reducted in the latest survey. All three sectors are more pessial a higher level than at any time since of all public companies. The all-industry figures are four-monthly moving totals covering some 120 companies in



Complete tables can be pur-

COSTS

Wages rise by:	:	Apr July %	Mar June %	Feb May %	jan Apr. %	Const. Build. %	Foods & Tobacco %	Text. & Clothing
	5-9%	4	8	10	14	_	 _	 _
	10-14%	52	64	66	60	22	30	21
	15-19%	28	17	18	16	24	63	48
	20-24%	2	3	1	1			
	No answer	14	8	5	12	54		31
Unit cost rise by:		-						
	0-4%	3	3 .	3				
	5-9%	22	28	26	25		15	5
	10-14%	35	41	45	47	51	30	26
- · · - · · · · · · · · · · · · · · · ·	15-19%	17	7	11	11	25	40	26
	20-24%	3	1					21
	Same			3	3			 -
	Decrease		3	4	. 4			
	No answer	22	17	8	9	24	15	22.
							_	واستفادتها

4 monthly moving total

PROFIT MARGINS

MOIL MANIGORD							
	4 :	nonthly (moving t	otal		July 197	79
nose expecting profit margins over the ext 12 months to:	Apr. July %	Mar June %	Feb May %	jan Apr. %	Const. Build.	Foods & Tobacco %	Text. & Clothing
Improve	36	38	34	37	41	30	22
Remain the same	. 47	38	44	41	39	55	22
Contract	11	20	20	20	20		52
No comment	6	4				75	4

July 1979

July 1979

Similar numbers always wanted. Tel: Hull (0482)25363/27070 (daytime) or Hull 658208/658232 (eves./Sunday)

P O. Box 99, Hull HU1 3EZ.

£255 £1,650 £495 £495 £320 £496 £355 £195 £195

DAIMLER SOVEREIGN

-3.4 LW.B. 1976. Metallic silver with b'ue Everflex roof and blue leather interior. Automatic, P.A.S. Chrome wheels, whitewall yres, radio/stereo. Superb condition throughout.

Autoguard warranty.

1978. Metallic gold beige with vinyl roof and champagne velour . Automatic P.A.S. sun rocf. radio/stereo, all Ghia refine-ments, Absolutely as new. Full service history. Enormous saving on list price at: Terms and leasing from £435 or lease from £462 deposit, and deposit, £144 monthly. 12-month £151 monthly. 12-month Autoguard warranty.

GRANADA 2.8 GHIA

ELIT : MOTOR SERVICES Ashby/Leic. 0283 219183/219208

CITROËN in the City

For a comprehensive range of Citroen cars including GSX 3 call 01-377-8811

London, EC2

RAVEL

CLUBS

calc. play and om, 10-5 30

I I TIONS

LEGAL NOTICES

In The HIGH COURT OF JUSTICE Chancery Division Group A. In the Matter of FARM FEED HOLDINGS LIMITED and In The Matter of the Companies Act 1948.

NOTICE IS HEREBY GIVEN that the Companies Act 1948.
NOTICE IS HEREBY GIVEN that the Control of the Migh-Court of Justice (Chancery Division) duted 73rd July 1979 confirming the reduction of the capital of the above-nemed company from EL DOS, 000 or ESO, 585 550 and the Minuta appropried by the Court showing with respect, to the capital of the said company as elegad the several particular required by the several particular required by the Registers of Companies on Sun July 1978.

JOSTON ROSE BOTTERELL

KENDOON HOMES.

Campaire Freet.

agents for SIMPSON CURTLS & CO., 41 Park Square, Lands, LST 2NS:

Political shock follows polls

By Robin Reeves Welsh Correspondent

AT FIRST sight, Wales seems much the same as ever. Militant noises from the miners have secured a reprieve for colliery. Deep Duffryn, threatened with closure. The difficulties of the steel industry are threatening a major loss of jobs at Shotton in North Wales, but the Welsh Office and Welsh Development Agency are making confident noises about the number of new jobs to the pipeline, to help soak up Wales's still above average 72 per cent

There is also the usual row over Weish language educa-tion, whether the National Eisteddiod should opt for a permanent site instead of mov-ing to a different part of Wales each year, and whether Welsh language programmes should have the run of the new fourth television channel or continue to be spread over more than one.

What is no longer there is stronging the framework which has political and social developments for at least the past ten rears the prospect of an elected its biggest General Election resembly in Cardiff conferring advance in Wales this century, on Wales a measure of demo. Not only did it push up its

The issue was always con-troversial but particularly from 1974 onwards with the return of a Labour Government, it seemed inevitable that the Assembly would come about as the logical political conclusion of treating Wales increasingly as a national unit within the United Kingdom.

Beginning with the setting up of the Welsh Office in 1964 and spiced by the Welsh Nationalists parliamentary breakthrough in 1966, it provided a sense of direction, even a dynamic one, in the political process and thinking of a wide variety of bodies and institutions within Wales—just as the prospect of EEC entry affected perspectives in the generally in the early 1970s.

The reasons why the Assembly was rejected so overwhelmingly will be mulled over for some time to come. The deeply conservative mood confirmed by the general election, a backlash against Wales's unhappy experience of local government reorganisation, the Assembly's very limited powers to do anything, and fears about Welsh language domination and separatism clearly all played their part.

Nevertheless, it left a sense of shock Overnight devolution became the great unmentioned subject, even by nationalists. In the general election which followed so spon afterwards, most Plaid Cymru candidates extolled the merits of a constituency MP independent of the main party machines, not Weish self-Government.

The General Election result inrned out to the no less sunning for the Welsh political establishment. Clearly emboldened by its success in opposing the Assembly, the Conservative Party chalked up demo Not only did it push up its share of the Welsh vote from

The referendum decision rejecting an Assembly for Wales and the Conservative Party's big advance at the general election have jolted Wales into a new mood. It can rely no longer on industry being steered there by the government and increasingly must put its own house in order in the context of the British economy.



Part of the changing face of Wales: Cardiff with the defunct East Moors steel works in the background.

23 to 33 per cent, but Concandidates ousted servatīve Cledwyn Hughes's inheritance rural trend away from Labour of Anglesey from his designated which began in 1966 when the Labour successor. Morgan, chairman of the Wales seats. for the Assembly Campaign, and industrial the veteran Plaid Cymru leader in Carmarthen

The recapture of Carmarthen was Labour's only consolation in Welsh rural Wales. Elsewhere its vote snatched fell sharply, confirming a Welsh Elystan party held 32 of the 36 Welsh constituencies ο£ holds, did the party's vote hold result was brushed aside.

Plaid Cymru were the principal losers in industrial South Wales, The party was both pushed into third place behind the Conservatives in most Westminster seats and lost control Only in the populous of its two South Wales district But in the Welshhelped unseat Gwynfor Evans, south and north-east Wales, speaking heartland of Gwynedd the veteran Plaid Cymru leader Labour's traditional strong the Devolution referendum

Caernarvon and Merioneth. which swung from Labour in February 1974, returned their two Plaid MPs with substantially increased majorities. As for the Liberals, Cardigan is all that remains of Lloyd George's inheritence, at least as far as Welsh representation in Westminster goes. Where Wales goes from here

is, in one sense, perfectly clear

A Conservative team, headed by Mr. Nicholas Edwards, the new Secretary of State for Wales, is installed in the Welsh Office with a stronger popular mandate to carry out Conservative policies in Wales than his 1970-74 predecessor.

He has made clear there is no question of dismantling the devolved structure and administrative functions which have fails. As another economic re-accrued to the Welsh level over cession gathers, the outlook in the past 15 years. The Welsh Development Agency is being kept largely intact. So is the Development Board for Rural Wales, and many of the nomi-nated bodies which abound in

Scrutiny

Devolution Conservative-style Ford to site its new Europea is already going ahead in the shape of a House of Commons The Welsh Developmen select committee on Welsh affairs to carry out the democratic scrutiny function envisaged for the assembly, and more frequent meetings of the Welsh Grand Committee. Howver, the latter arrangement has not got off to a very promisinsistence on discussing a Price Commission report on the Welsh Water Authority instead of allowing an emergency debate on the drastic cuts in regional aid announced two days previously, provoked a mass walkout by opposition

that changes are not enough to fill the vacuum left by the referendum results has also led the CBI in Wales to propose a revamped Welsh Council,

Consisting of representatives nominated by Welsh industry. trade unions, local authorities and other interest groups and an independent secretariat, it would advise the Secretary of

will prove adequate and per fectly acceptable for the forepresent circumstances it is very difficult for any politician to stand up and demand anything radically different.

But the question remains what will be the Welsh political reaction if the Conservative bid to revive the market economy Wales seems even more othinous than in the UK as a whole.

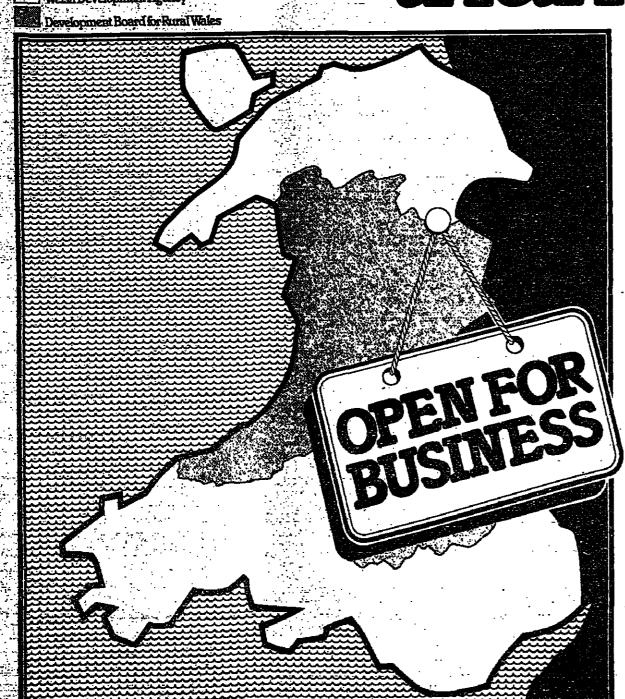
The fact is that the previous Government's more interven tionist tack and relative higher public expenditure on improving infrastructure did seem to bring tangible benefits, most spectacularly in the decision of Ford to site its new European

Agency and the Board for Rural Wales were established in the teeth of Coninjected new energy and resources into tackling Wales's economic problems, both have been accepted by the Govern The Government's ment as valuable instruments of economic intervention. previous Government's Beswick and the strong support shown towards coal over other forms of energy also helped to shelter Wales from the worst impact of the 1974-76 recession.

When the East Moors and Ebbw Vale steel closures did come about they were followed by a lot of bustle and sizeable Government grants to help rebuild the local economies.

The new political environ ment is already looking far harsher. The Wales TUC has predicted as a result of the first Conservative Budget that unemployment in Wales will rise from its present level of about 80,000 to 120,000 by the It may be that these changes end of the year. The Wales CBI, CONTINUED ON NEXT PAGE

Some business opportunities are more open than others.



Wales is open for business.

Presently, the whole of Wales is an Assisted Area. So business, both in-coming and expanding, has access to the full range of Government incentives.

Communications to and from Wales are good with easy access to the motorway network, Inter City and Freightliner services.

Specialised organisations exist to simplify matters for those companies interested in establishing or expanding in Wales.

The Welsh Development Agency has an investment capability. It handles all investment enquiries of over £50,000. Its Small Business Unit is specially qualified to deal with the full range of professional services likely to be needed by the smaller business including offering loans up to £50,000 in suitable cases.

It is currently building many advance and custom-built factories in North and South Wales.

The Development Board for Rural Wales is responsible for the social and economic development of Mid Wales. It has wide powers and provides factories, houses and other specialised premises.

Its Business Advisory Service offers advice and assistance and the Board works closely with the Welsh Development Agency in making available loans up to £50,000 in Mid Wales.

The Development Corporation for Wales is responsible for promoting Wales as a location for investment. It enjoys the support of and works closely with the Agency and other bodies in Wales. It is well placed to give advice on relocation and to arrange introductions.

Any of these organisations will be pleased to give you further details.



Welsh Development Agency
Treforest Industrial Estate, Pontypridd, Mid Glamorgan, CF37 5UT. Tel: Treforest (044 385) 2666. Telex: 497516.

Development Board for Rural Wales

Ladywell House, Newtown, Powys, SY16 1JB. Tel: Newtown (0686) 26965. Telex: 35387.

Development Corporation for Wales 15 Park Place, Cardiff, CF1 3DQ. Tel: Cardiff (0222) 21208. Telex: 497190.

Aid cuts a blow to economy

pulled out the plug on steel-making at Shotton, and then the Government unveiled its plan to

However, the picture is as a result of which 40 per cent of the land area will no longer receive any form of assistance. receive any form of assistance. cent of the population has been

Finally, the Government reversed its plans to direct Civil Service jobs out of London and 4.000 Ministry of Defence jobs which were heading for Cardiff will now stay in London.

These blows came at a difficult time in any case. Cardiff still has to come fully to terms with the closure of the East Moors steelworks in the city early last badly. After a long period in Finally, the Government

steelworks in the city early last year and, with rising unemployment in the country as a whole. the economy is precariously

The most important of these changes is the new direction on regional aid. Most of Mid-Wales eventually will be taken out of the scope of assistance ment areas such as Caernarfon. Newport, Pontypridd and

Shock

CONTINUED FROM PREVIOUS PAGE

as well as the trade unions, has ring more true. This is that roundly condemned the cutback the days when Wales could rely in regional aid as a serious blow on inflow of expanding industry to the task of creating more steered by Government from

Government's reduction in local that Wales must therefore take authority financial support is increased responsibility for putin some areas and has triggered wishes to retain its identity as some sizeable demonstrations, a distinctive community. Yet, by all accounts, this cutback is only a start. Since a higher proportion of jobs in Wales is linked to the level of public expenditure, compared has been driven back into the with many other parts of the mountain fastness of Snowcountry, the impact is likely to donia and the Labour party in be felt more deeply.

donia and the Labour party in Wales is not going to be in a

In political terms, this will burry to give its platform a serve to underline, at least in distinctive Welsh dimension the short term, the argument of which the local leadership anti-devolutionists championed so doggedly for during the referendum cam-more than 12 years.
paign that Wales is too The referendum result was a
dependent on English largesse massive reassertion of the in the form of public expendi- British dimension in Welsh life ture to risk calling this into which the political forces and question by creating a devolved institutions of Wales are now

lying argument of the pro-volution issue has gone away devolution campaign begins to for good.

DON'T GET TIEI

TRACKS TO

WREXHAM

removed so that nearly all the

the aid map will hit Wales badly. After a long period in which there was a net migration from the country the trend has been reversed over the past 15 years, a trend assisted by the whole panoply of regional

Between 1951 and 1961 there was a net outward migration of 35,000 people, dropping to and some of the special develop- 10,000 in the next decade, ment areas such as Caernarfon. Between 1971 and 1979 the inward movement has been

more prosperous parts of the Implementation of the UK are drawing to a close, and been rising strongly. In the Government's reduction in local that Wales must therefore take first half of 1977 the figure was authority financial support is increased responsibility for putalready threatening employment ting its own house in order if it period of the following year and 400 in 1979. But these are early days and

speculation is exceptionally hazardous. For the time being, the Welsh Nationalist dragon else in the UK. That such inquiries and

These successes must not obscure the problems that still

IN THE past month Wales has had a nasty buffeting. First, the British Steel Corporation pulled out the plug on steel-

and Llanwern, as well as at the

Troestre and Velindre will all

other major industry facing problems. The workforce is now a little over 30,000 and the Coal Board is still looking for

cial losses in the division. The one hopeful sign, as the second

thoughts over Deep Duffryn have shown, is that the Govern-

ment probably does not want to

are doubts over the supply of

The problem in Wales-and

of course, it is not unique in

this respect—is that it is still not attracting sufficient new industry to offset the closures. Great efforts have been made

to bring industry in, and the new companies have made an important contribution. But

In the 12 years to the end of 1978 about 300 new manufac-turing units came into Wales.

which provided work for 35,000

duction, on schedule, next May.

announced expansion plans.

more is still needed.

Recruiting

deflate Wales's economy.

Cnal-after steel-is

of assistance to offer, making it making works of Port Talbot that much more difficult to com-pete with such countries as Ireland. Inevitably, there must be some slewing of projects, especially in those places such as Port Talbot, Swansea and Bridgend, which will come down to intermediate area status.

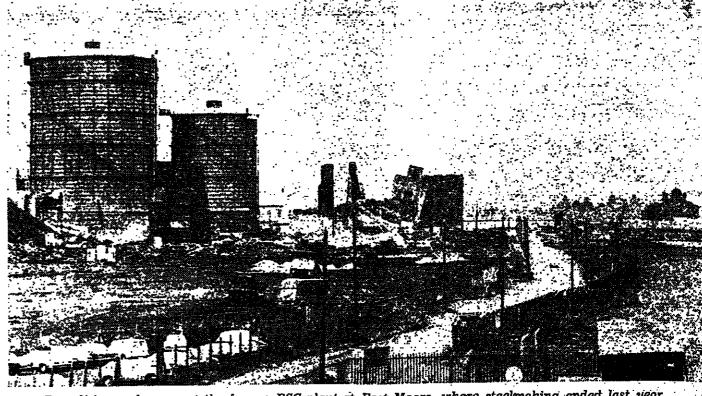
This slowing process depends Coal Board is still looking for though on the willingness of pit closures to reduce its financompanies to consider other, more highly assisted, parts of the country. Not all may be lost: some companies may still be willing to consider the special development areas, take on the miners while there especially now that they are relatively more attractive places. Further, even though the Government will be more stringent in its vetting of applications for selective finanrial assistance, it is possible that this sort of aid might increase in future, partially offsetting the drop in regional development grants.

Certainly selective financial assistance has been on a strongly rising trend recently. In 1976-77 there were 98 offers of help under Section 7 of the 1972 Industry Act, a figure which went up to 158 in 1977-78 and 193 in the financial year ending last April. The total is averaging about 20 a month at the moment and the outcome for 1979-80 is sure to be somewhere

The number of inquiries reaching the Welsh Office for information regarding sites has

Visits to Wales-a logical consequence of inquiries - have also gone up strongly. From 170 in 1977 the total went successively to 260 and 440, a better record than anywhere

visits do turn into firm commit-ments can be seen from the Welsh Development Agency's advance factory building programme. Between January and June last year 40 were allocated, the figure rising to 60 in the second half of the year. In pensate for the /inevitable last year and continuous for the /inevitable last year and seed and steel. The



Demolition under way at the former BSC plant at East Moors, where steelmaking ended last year.

Replacing the lost jobs in steel

people. At the end of last month Kaiser Aluminium WALES MORE than any other announced plans to begin fertiliser production at a new plant in Wrexham and Ford is part of the UK is feeling the plant in Wrexham and Ford is about to start recruiting 2,500 closure of BSC's East Moors, for its giant engine plant at Bridgend which will be in production on schedule part Moors. effects of the steel industry's dridgend which will be in pro-of steelmaking at Ebbw Vale, suction, on schedule, next May. South Wales, resulting in the North Wales has done rather overnight loss of more than well in attracting new business

since Hotpoint is to turn out domestic appliances at Rhyl. employing 800, joining existing names such as BICC, G-Pian. Within the past month, BSC has announced its intention to end steelmaking at the Shotton works in North Wales with the

J. C. Bamford and ERF. In Ebbw Vale, South Wales, an employment black spot, with the loss of a further 6,300 jobs.

The worsening market for steel and the Conservative Government's insistence on BSC run down of steel, both Control Data and Alfred Teves have sticking to its break-even target of next March has rendered The Welsh economy is in a obsolete a 1977 assurance that transitional phase and will remain so over the next 12 months. The best that can be Shotton steelmaking capacity would be safeguarded at least hoped for is that what has gone

In between these headlinegrabbing events, there has been a series of smaller negotiated the form of public expendiure to risk calling this into
uestion by creating a devolved
ussembly.

But equally, there could
But equally, there could
active opponents, believe the de
the second half of the year. In
the first half of this year 62
were allocated and with a
further 95 provisionally allocated the total for 1979 will
cated the total for 1979 will
regional aid had not been cut.

Staff redundancies aimed at
reducing manning levels to an
internationally competitive standard. The net result is that
whereas in 1970-71 the Welsh
regional aid had not been cut. staff redundancies aimed at Anthony Moreton

Anthony Moreton

Anthony Moreton

Anthony Moreton

Steel industry employed nearly 75,000 people, now the number is down to just over 48,000 and still falling.

Closure at Shotton and a cut-back of 1,000 jobs at Port Talbot, now under negotiation, will reduce the figure close to 40,000. This is a dramatic fall by any standard, but even more so for Wales where, in the recent past, nearly one in ten jobs was connected with the steel industry. It is exceeded only by the rundown of employment in the Welsh coal industry —from 150,000 in the early 1950s to less than 30,000 today. In the circumstances, the painful process of steel rationalisa-tion has gone surprisingly smoothly, so far at least, though Shotton could prove to be a different proposition. Moreover, Wales is banking up a wealth of experience in tackling the problem of rapid technological change upon whole communities

application in the years ahead. Looking back at the negotiated closures of East Moors and Ebbw Vale steelmaking, three one was the long period of mental preparation—the cynical would describe it as a "softening up" period—which helped to soften the blow psychologically. The clasures were mosted ally. The closures were mooted as early as 1972 and also postponed by Lord Beswick's review of BSC's rationalisation plans.

which is likely to have far wider

Influence

Another factor was the attractive redundancy package, on once from BSC, to sugar the pill of massive job losses. The well-publicised severance cheques of up to £17,000 per man, depending on length of service, was undoubtedly a powerful influence on the workforce to abandon their long resistance to closure, and a factor which may prove decisive again in the case of Shotton, which has many long-

service employees.

The third factor was the value of having specialist agencies such as the Welsh Development Agency, BSC (Industry), the Manpower Services Commission and even the Welsh Land Authority to rally round the local authorities and start re-building the local economy

Closure, after all, is only the beginning of the problem. Circumstances obviously differ from place to place, but Cardiff's particular experience illustrates developments in the aftermath of a steel plant shut-

On the credit side, it is reckened that of the 3.100 made redundant by the East Moors' clasure, only about 500-600 are still out of work. The rest have either found alternative jobs in the locality, drifted away, or are simply in early retirement. About 600 men fall into the last



Work on Cardiff's long-delayed £50m city centre redevelopment scheme is helping to soak up unemployment stemming from steel redundancies.

craftsmen were snapped up by are both temporarily housed in the head of the industrial val-the GKN steel plant immedia a BSC building prior to moving levs should also be in a stronger ately next door. It is the case that craftsmen willing to work shifts in a hot metal environment tend always to be in short supply. A further 400 or so have been employed on dismantling the works, which for the Bird Group of Stratfordupon-Avon has provided the largest demolition contract in Europe. It includes the salvage of an estimated 350,000 tonnes of scrap steel for feeding into BSC's Llanwern steelworks, 12 miles away.

A significant number of East Moors men have also been taken on by Myson Radiators whose takeover of the former Penrad Radiator company in Cardiff coincided with closure of the steelworks.

But the biggest help, so far, towards soaking up unemployment has been the start of construction work on a long-delayed £50m Cardiff City Centre redevelopment scheme. It has created about 1,000 new jobs in the central area and brought male unemployment down from a level comparable with Glas-gow and Belfast of 10,3 per cent a few months ago to 9.4 per

Before the East Moors closure male unemployment was running at 7.7 per cent. Even so, the fact remains that Cardiff still has to make up for the loss of about 3,000 permanent industrial jobs—and more, since the number of school-leavers is expected to increase over the next decade. The local authority. South Glamorgan County Council, is looking to create an extra 13,000 new manufacturing jobs between now and 1981.

Cabinets

Since the closure, the Welsh Development Agency has got stuck into the first phase of a crash programme of advance factory building with the aid of a special £13m grant provided by the last Government to cope with Cardiff's special difficulties. Twenty advance factories are now under construction, mostly alongside East Moors, and a tenant for one of the four larger units of 25,000 sq ft has been found already.

Dunsters is to start manufacture in August of television cabinets (for Sony at nearby Bridgend). This company and Setpoint, which is making micro-neccessor-based electronic

Many of the East Moors load cell weighing equipment, a BSC building prior to moving into advance factory units when they are completed in January.

Factory construction on the East Moors site itself should start in a few months' time; though there has been a hitch pension fund, through the Land Authority for Wales. But the scheme is now on ice as the new Government ponders the fate of the authority.

Access

If everything goes according to plan redevelopment of the 130 acre East Moors site will be completed by 1981, with ample industrial premises and improved roads access, to give Cardiff a better opportunity than most to attract new manufactur-

The city's development area statu; has been left untouched by the government's regional policy changes. Since there is now less choice open to relocat-ing industry wishing to take the huge number of jobs lost advantage of regional aid, the in the Welsh steel industry. changes should enhance Car-diff's attractions.

Ebbw Vale, 20 miles away at leys, should also be in a stronger position. The rundown of steelmaking there has led to the development of a massive new industrial estate, Rassau, carved out of the mountainside. Ebbw Vale has retained its special in sorting out the problem of development area status, giving land ownership. The previous 22 per cent grants on building, Government proposed purchasing the site compulsorily from has become a more valuable the present owners, the BP incentive with the drop from 20 per cent to 15 per cent in ordinary development area grants.

If the Shotton closure goes ahead, it is clear that that area too will be given special devel-opment status in a bid to attract new enterprises to the Deeside industrial park which has already been constructed alongside the steelworks.

In short, much is being done to ensure that the damage to steel communities is repaired in a way which will give the local economies a wider and therefore more resilient base.
But in the end success still
hinges on an overall buoyant
economy. Without it, there
simply will be insufficent inflow

Robin Reeves

It's all too easy to get chained up in the big cities these days with high rents bearing down as heavily as your competitors. But, beyond the horizon thines are happening in a big way. At Wrexbam, G.K.N., Kellogg's, Metal Box Company, Continental Can, E.R.E., Jaeger, G-Plan, J.C.B., Tetra Pak are, between

Because the pioneering range of services and incentives offered in this progressive Borough are second

them investing over £100,000,000 in industrial development

Here are some of them:

in Wreyham.

Excellent industrial relations record Rent-free periods in advance factories Easy access to major markets

* Special Development area and E.E.C. financial * Welsh Development Agency assistance.

Wrexham Maelor Borough Council To the Chief Executive Officer, The Guildhall, Wrexham J.L.H. IAY, Clwyd, North Wales, U.K. or telephone R. J. Dutton or D. W. Jones or H. Przibram at Wreyham (1978) 4611 Please send my details of industrial incentives at Wrexham.

So get on the right track and develop in Wrexham. Take the first step by sending for our colour brochure now.



TO ALL CONTRACTORS AND

LAND ROVER FLEET OWNERS

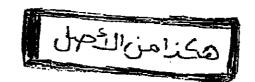
Home and Overseas UNIQUE SERVICE AND AVAILABILITY OF LANDROVER SPARES—LARGEST STOCKISTS

BEARMACH (London) Ltd

BEARMACH HOUSE, MAINDY ROAD, CARDIFF CF2 4XN.

Telephone: (0222) 41313-45. Telex: 497580:

مكنامنالثمل



£600m says "We believe in Wales"

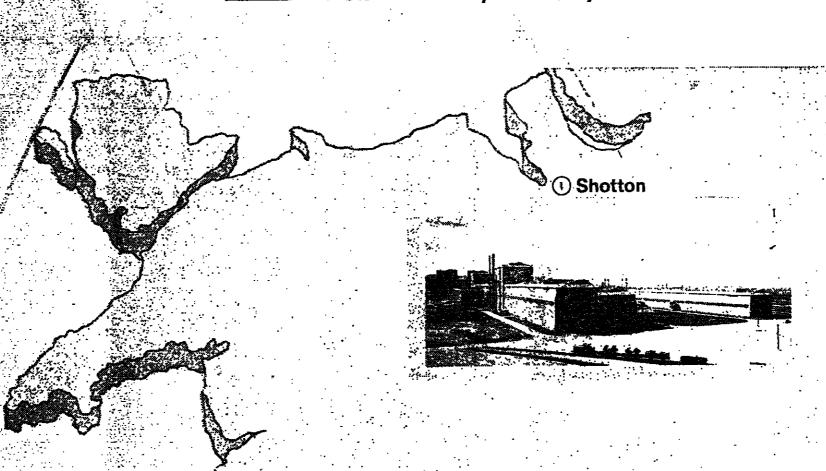
British Steel is deeply committed to Wales. The Corporation has invested over £600 million, in the last few years alone, to help support the economy of the country.

It has been an investment in technology, quality and productivity, to give Welsh steel a competitive edge in a tough world market. It has also been a statement of faith in Welsh skill and energy.

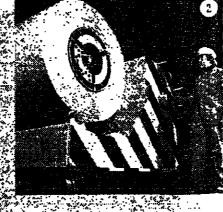
This modern plant and equipment presents a great opportunity to the Welsh works, and BSC is certain it will not be missed.

Steel-the strength of Wales

British Steel Corporation,
Welsh Division, Gabalfa, Cardiff CF41XS.



- 1. At Shotton, Europe's most advanced plant for coating steel strip is now in production. Besides a hot-dip galvanising line and an electro-zinc plating line, the 'Colorcoat' facilities now bring the Corporation's organic coated sheet capacity up to 300,000 tonnes a year.
- 2. Tafarnaubach, Tredegar, also has a new organic coating complex to complement the lines at Bryngwyn and Shotton.
- 3. At Ebbw Vale. Britain's most modern timplate complex is now in production.
- 4. At Trostre modernisation of the timplate works has continued, with a new acid-recovery plant in operation and improvements to the five-stand cold reduction mill.
- 5. Velindre also is in the process of improving its cold reduction facilities.
- 6. Port Talbot has new handling facilities for incoming ore and coking coal, new coke ovens and sinter plant, improvements to the cold reduction mills and the coil inspection line, and a new scheme for effluent disposal. Work has recently begun on a continuous slab-casting machine and a replacement power plant.
- 7. Lianwern has been re-equipped from the coke ovens through to the hot mill. Its potential capacity is now 3m tonnes per year.



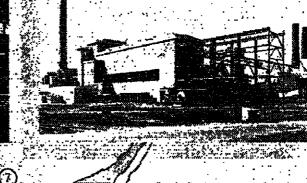


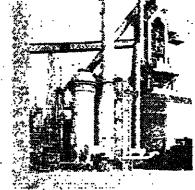
③ Ebbw Vale





Tafarnaubach(2)





Trostre

(I)

(Velindre

Port Talbot Llanwern

ARMIN C

Manufacturers of low and medium alloy and special carbon steel billets for the automotive and engineering steel trades at home and abroad with a reputation for quality of product and service to the customer.

Work is proceeding on a £48 million development scheme to install a new finishing mill, due for commissioning in 1979. The new mill will provide increased capacity, an improvement in product tolerance and a wider product range covering billets, slabs and rounds.

The product range available to customers is further anhanced by the output of Cable Street Mills,
Wolverhampton. The two works operate in close association to produce a full range of high quality semi-finished and re-rolled products in the

Brymbo Steel **Works Limited**

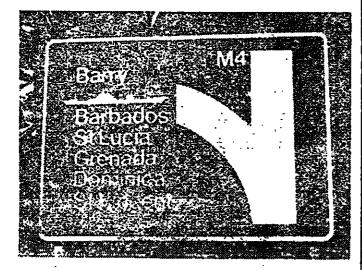
Brymbo. Nr. Wrexham. Clwyd Phone Wrexham (0978) 756333, Telex 61683 Call John Marsh, Malcolm Roberts or G. Warren Phoenix

Cable Street Mills

Wolverhampton WV2 2HZ
Phone Wolverhampton (0902) 51031, Telex 338321
Telegrams: Bayliss, Wolverhampton Keith Colladine

A member of the GKN Group of Companies





The Geest Line from South Wales to the West Indies every week.

The Geest Line operates a fast, regular weekly service for cargo and passengers from Barry, South Wales direct to Barbados, St. Lucia, Grenada, Dominica and St. Vincent, Barry is served by rail and is now just a few miles from the M4 and the motorway network. Each ship has facilities for refrigerated cargo and a limited amount of container space. In addition, there is luxury accommodation for 12 passengers For illustrated literature describing the Geest Line

cargo and passenger facilities write to:
The Commercial Manager, The Goest Line. P.O. Box 2, A Shod, 2 Dock, Barry, Glamorgan CF6 6XP

or telephone: 0446-7323.33. Part Office & Plassonger Empirese the Good Line 199 Book.
A Soud 23 to the Country and Forest Line 199 Book.
Plassonger response to vehicle Book on the Country Line
House Different to the of the Spekhag his, 199 H2 M. Tel Spaking
of The Line 1990 Country Line 199 Book of the C Agentse Kilibek Martin & Co. Lida, Crown House Tout of Boart Barring Essex.

Control State Control of the American Control of the American Control of the Cont Killiek Martin-Southamptaget pt. 1960. Jan. Roya South impon-804 (1917-1-1) 0765 (3211-765) 174 (1

Section 1-1 of the Appen of 1994.

South Shipping A Form, ring that Mountagle of the Process,

Inc. of the APP of the Appen of the Appen of the APP of the Strategy of the APP o Unit D Mar hereforded. House Here the foreign that felt (7211) Morales to perform the Market Algorithm of the Market Algorithm.

The Geest Line

Mork it out.

More overseas companies arrive (?)

The higgest coup for Wales ment is Ford's new £180m Eurocompletion at Bridgend. The company's decision to come to Wales in 1977 confirmed that the Principality, after a slow start, has now entered the first foreign investment.

indux, over the past few years, of a clutch of Japanese com-

The most recent arrival, there were still only three unique deep-water anchorage in

could be added to the already impressive list of overseas companies operating in Wales. television industry when it proposed building a plant in North East England and at one stage the company appeared to lose in attracting overseus invest- interest for good, with potentially-damaging consequences for overseas investment in Britain generally.

However, the company is now happily linked with GEC in a venture manufacturing colour televisions at Hirwaun. a move which has enhanced Wales's claim to have foreign investment.

Hardly less important from assembled the largest concenthe point of view of Wales's tration of Japanese-owned investment images has been the manufacturing industry in claim to have Europe.

Monsanto Chemicals was the panies, with such well-known first foreign-owned company to the four U.S. oil companies, names as Sony and National come to Wales—to Ruadon near Amoco, Esso, Gulf and Texaco,

Oil industry slow

to expand

just outside Birmingham and on

this co-operation is not such a

good thing for the Welsh econ-

oney. It speeds the oil through Wales rather than greatly bene-

Refineries-and the chemical industry—traditionally provide little employment. In the Mil-

ford Haven area there are esti-

mated to be only 3,000 workers directly employed in the indus-

try and that includes about 160

who work for the Milford

Haven Conservancy Board which runs the port facilities. In Wales as a whole oil and

petro-chemicals employ about

12,000—a very disappointing total when it is realised that

these have seen major growth

just as the basic coal and steel

industries have declined during

In some ways the building

work on the huge plants has

had more impact on the local economies than the final pro-

duct. A rule of thumb guide

in the Milford area is that a

The effect of the cateracker construction can be seen clearly

in the Pembroke and Milford

unemployment figures. Work is

well under way on the Texaco-

Gulf cateracker. Last June un-

was 11.2 per cent and in Milford

9.4 per cent. This June it was

8.8 and 7.3 per cent respec-

Higher pay rates in the oil

industry have also affected the availability of skilled labour

locally-but councils in the

efforts to diversify their indus-try. These could be effected by

the general down-grading of

the area's status by Sir Keith Joseph, Industry Secretary, in

Even the Conservoncy Board

itself is trying to diversify. It

B and I ferry service to Ireland.

The ferry formerly ran from

industry could take place at Milford. It seems likely how-

ever that if there is a major

hoost it will depend on success-

ful results from the offshore

ished considerably despite the British Gas find farther north

in Morecambe Bay and the gas

find off the Irish coast. But,

Hopes of success have dimin-

exploration in the Celtic Sea.

Further expansion in the oil

to come in in August 1980.

the 1960s and 1970s.

Impact

3.000 to build it.

The five South Wales re-fineries now account for almost will take a labour force of about

The industry is also expand-employment in Pembroke Dock

but even so it represents the Dyfed area are making major

particular a higher proportion his regional aid change, due

follow partly from the harder managed recently to attract the

The two caterackers which with the steep oil price rises,

will begin production in the the excitement of the hunt is

Swansea.

fiting the local economy.

It could be said, however, that

staggering. But equally surpris-ing has been the lack of the 265-mile long pipeline to the spin-off in the new downstream major Kingsbury oil terminal

Apart from the unique chain to Manchester.

of BP plants across South Wales—a set-up which basically

pre-dates the rise of Milford-there has been remarkably little

spin-off. Although it is too soon

to write off all hopes there is

no doubt that this has been a

major disappointment, particu-

larly considering the success of

Twenty years ago Milford was a small, insignificant fishing

port. Esso was the first of the

big oil companies to open a refinery there—in 1960.

In the same year BP opened

its 62-mile pipeline from Angle Bay to its refinery at Llandarcy

near Swansea. Llandarcy opened in 1921, and was the first major

refinery built anywhere in

Britain. The attraction of South

Wales then was not deep water

as at Milford, but, when the plant was planned during the

1914-18 war, a good 650-acre site in a fine defensive position.

Since 1960 three more re-

fineries have been opened on the shores of the Haven, none

of them as big as Esso. They are

owned by Texaco, Gulf and

The five South Wales re-

per cent of Britain's crude

oil distillation capacity. Add to

that Shell's Anglesey terminal

at Amlwch which feeds the

Stanlow refinery in Cheshire

with a major share of its crude, and the importance of the Welsh

oil industry to Britain is clear.

ing. Texaco and Gulf are cur-rently building a £290m cat-

cracker, with Amoco and Murco

ture valued at more than £80m.
The oil companies' cash is

cushioned with almost £80m in

Government financial assistance,

biggest private investment in

It will give much greater flex-ibility to them all in the pro-

ducts they can produce-in

of lighter end products includ-

Both expansion programmes

line on prices taken by the Arab countries since 1973 but

they will be increasingly import-

ant because of the Iranian situa-

tion more recently and because

of the growing flow of oil from the North Sea. Only last month the Amoco (UK) Exploration Company announced that the

North West Hutton Field would

be on stream by 1982; Murco

also has North Sea interests. Oil

from the North Sea is taking a bigger and bigger share of Mil-

ford imports.

Wales for many years.

joining forces in a similar ven- tively.

the port itself.

BEFORE THIS year is out, Hitachi, ran into opposition foreign-owned companies operations some significant new names originally from the domestic ing in Wales, and during the sectors in Wales are now without the already television industry when it pronumber grew only very slowly by comparison with the rest of the U.K., and particularly Scotland.

But the late 1960s and the 1970s produced a quickening in the pace of arrivals. Today there are no fewer than 175 manufacturing concerns in Wales with an overseas parentage providing, between them, well over 50,000 jobs. Of this total, 120 are American-owned, 50 have a continental parent company (22 of them in West Germany) and five are Japanese.

By far the biggest in terms of investment and throughput are the refinery complexes of Wrexham in 1920. But in 1945. grouped around Milford Haven's

exploration in Cardigan Bay.

Most Milford refineries have

years. In the past 12 months

period of last year. Most of the

extra tonnage was attributed to increased oil imports.

BP holds a special place in

the South Wales oil industry.

Geographically no one else has a similar operation anywhere in

Britain. The group employs

about as many people as the

Oil is piped to Llandarcy for distillation. Products such as

naphtha are then piped from

Caerphilly. Takiron is one of

the Japanese companies which

has moved into the area and it

ohtains materials from BP at

There are other notable

this part of Wules to make this

at least the Leontief matrix holds good and there are not

enough cross-linkages to make

a major centre for oil-related

industries in Wales attractive —but this is changing fast,

particularly with the increasing

price of oil, and optimism is

Richard Murphy

It seems that for the moment

existing workers.

successful.

rest of the industry together.

and in terms of jobs, engineering and particularly electrical engineering, is the most impor-

gether a sufficiently attractive

investment is spearheaded by the Industrial Development Corporation for Wales, an independent body founded in 1958 by a group of industrialists who felt Wales was missing out by not having a promotional body akin to the Scottish Council. These days it is also supported financially by the Welsh Develop-ment Agency (Wales's equiva-lent of the National Enterprise Board) and Welsh local authori-Board, the figures in the first ties. But it remains very much

> executive, Mr. Meirion Lewis. In the early days, the emphasis was very much on seeking to attract new and more diversified industry from across the English border but it soon became apparent that Wales ought to be casting the net poration has its own representatives in the East, mid-West and tions. Another is Wales's close-West of America. West Germany, Sweden, and Japan, as well as the small team operating

The reasons which have brought such a variety of companies to Wales obviously vary. But it is significant to note that a 1976 study of overseas invest-ment in Wales found that the package of financial inducements offered by government was the single most important incentive.

The cutback in regional aid by the Conservative Government has aroused concern that the inflow of overseas companies into Wales will be hit. On the other hand, the decision to delay full implementation of the cutback until 1982 ought to mean that potential investors now in the pipeline will be un-

affected in practice.

Moreover, the decision to maintain selective investment aid should, in theory at least, still enable Wales to put toaid package to continue com-peting with other parts of Europe for "footloose" investment capital. The battle to attract foreign

WELSH OIL today is almost early 1980s, represent a growing beginning to grow again—even synonymous with Milford trend among the oil companies if slowly—and there is some to operate joint ventures. The optimism that at least one comover the past 20 years has been Milford companies already have been working at between 60 and 75 per cent of capacity for production has gone up.
According to the Conservancy six months of the year for gross a slimline operation with a comparison of financial induce-registered tonnage using the mere handful of staff headed by ments.

port was 16,689,591 compared an industrialist chairman, Mr. One is a skilled and experienced with 14599 725 in the same Daylor Parks.

> out of Cardiff-all dedicated to bringing new overseas invest-

Llandarcy to the nearby Baglan Bay plant. There the group makes a whole range of materials including ethanol, ment to Wales. Besides promotional visits, styrenc, vinyl chloride monomer the corporation also organises and even PVC. BP Chemicals frequent trade missions to at Barry uses some of those different markets of the world. materials and also makes PVC. The task of persuading com-panies inside the UK to expand or re-locate in Wales effectively It is difficult to assess just how much of this is exported from the area, but in South has been handed over to the Wales there are a number of Welsh Development Agency plants which use products from the chemical industry. One of the most notable is Takiron also has the responsibility for building the new build up internal air links (UK), which makes PVC corrugated sheeting at Bedwas, near industrial estates and advance

LAINTAINE ALS CHAIL CHILLY MI LAN

Bilingual signs are becoming increasingly common in Wales so that newcomers are finding two languages in regular use. The Cardiff hotel in which

the signs above appear makes sure that guests taking

THE BIGG

n/hirş

factories which have become an of immeasurable value in essential element in the cor-spreading foreign investment poration's promotional armoury. more widely, have suffered a Interestingly, the corporation sharp setback with the demise looks upon the Republic of of Air Wales. It is a particular lireland as its biggest rival in blow to large parts of North the international arena. The Wales which cannot yet boast Republic has a high-powered in a similar improvement in read dustrial development authority with lavishly staffed offices throughout the world, vigorously promoting the merits of ireland as a manufacturing location. and the powerful incentive of

Advantages:

But the Welsh Corporation team is undaunted. It argues that Wales has other advantages to compensate for any straight

with 14,599,725 in the same Douglas Badham, and chief industrial labour force used to shift work, so common in many modern manufacturing pro-cesses. Another is a highly developed social infrastructure. modern Wales has no shortage of training and higher education facilities which can be of immeasurable importance for the research further afield. Today, the cor- and development and future ness to the European "golden Quadrant" compared with rival locations.

> Wales in the past has been wiped out by the Severn Bridge, the extension of the M4 deep into West Wales, and the highspeed train link bringing London-and Heathrow within two hours journey time. Cardiff Airport too is offering a widening range of freight and passenger services to different parts of the Continent.

The relative isolation of South

within Wales, which would be

a shower are left in no confusion. Wales which cannot yet boast and rail communications.

Until the A55 dual carriageway is built through to Anglesey, to be completed by 1984, North Wales will continue to have more difficulty than South Wales in attracting for eign investment. Yet, a recent survey of U.S. owned companies commissioned by the Welsh Development Agency, gave Wales high marks as a location

for manufacturing industry.

The majority of companies said that their productivity was at least as high as in the U.S. and a significant proportion put their output per unit wage cost up to 50 per cent higher than in comparable American plants. The survey also concluded that industrial relations were more harmonious than "many newspaper reports would lead us to believe." More than 80 per cent of U.S. subsidiaries ant disruption of production in the last Zve years. Many described union negotiations as long and hard but only a small minority-8 per cent-regarded their workforce as aggressively militant The Development Corpora

tion's target now is to ensure that Wales has a significant stake in the new generation of high-technology industries. The nucleus is there already, but it needs to be expanded. The corporation's new dream is to change the image of the Welsh valley from coal and steel to something more akin California's Silicon valley. Unfortunately, attempts to is an ambitious but worthy goal.

Welsh Office team



Nicholas Edwards

WALES THESE days is chang-fast and Nicholas Edwards, 45, the new Secretary of State for Wales, fits the new mood. He has a brash, no-nonsense style which certainly goes down well in his Pembrokeshire constiuency-which he turned at the election from a marginal into one with a 6,000-plus majority. of recent Cabinet meetings on of recent Capinet mercings on spending cuts are anything to go by, his outspoken manner has been wielded with some effect against the Treasury

commented.

ton, regional policy has come under fundamental attack, the transfer of the Ministry of from Whitehall Cardiff has been abandoned and more severe local government cuts are threatened next year. All these decisions, however, sponsibility for education.

bear the stamp of Nicholas Edwards's approval, for he is a Mrs. Thatcher man to the hill and an enthusiastic follower of her get-tough approach to Britain's declared proffigacy. It was she, ofter all, who promoted him to Front Bench spokesman on Wales in 1975 over the head thanky, has the only worth of Wen Roberts (Conwy) who is smaller in the Wells. now lieners, enclary at the Montgroups teem, has Weisn Other. I they we are the territory to be attent gallery to the

tion. He was selected almost by turned up for interview in farflung Pembrokeshire and then the new fourth channel might in 1970 he captured the be confined to the early evening formerly safe Labour seat due slot. A hasty retreat was entirely to the catastrophic split sounded from that, but the in the local Labour Party when whole question is still very the sitting MP. Desmond Don-much in the melting pot. nelly, formed his breakaway Bilingual education is o

now has to see if he can do the of demanding that all its pupils same to Wales as a whole. This take Welsh to O-level has conyear has given him an encouraging start with the dudno in his constituency, referendum campaign and the Equally flerce reactions on the election.

Couraging start with the dudno in his constituency. Equally flerce reactions on the election. But there is a bumpy road

Michael Roberts

IN SOME ways Michael Roberts, MP for Cardiff North West, is the most Welsh of the Welsh Office Ministers. Cert-And if the reports coming out of recent Cabinet meetings on pending cuts are anything to by. his outspoken manner weish Omce atmasters. Weish Omce atmasters of the resents any suggestion that to be really Weish you have to speak the language and omanate from somewhere in the hinterland behind Cardiff. --An ebullient figure—in May he told the House of Commons

Ministers.

Certainly that looked to be the case immediately following the Budget. Cuts in the Welsh Office's spending plans were just £16m compared, for example, with an equivalent £62m lopped off the Scottish Office budget. "Wales has come through the exercise as well as we could reasonably hope," he told the Heuse of Commons the party was planning a coach tour to study the scenic beauty of Wales in Tory territory from Chepstow to Holyhead — he stands as an affront to those who suggest that he represents an alien party in Wales.

He was many years in Cardiff politics, fighting Mr. Callaghan in Cardiff South-East in 1964, before he captured.

commented.

Since then, of course, the axe has been wielded against Shotregional policy has come moved to Cardiff North West at 1974 election). the February 1974 election).
His experience as a teacher, and then headmaster in Cardiff before his election is standing him in good stead at the Welsh.
Office where he has special responsibility for advection.

WYN ROBERTS, MP. offic took of discounse.

was formerly a director of PA speaking population - a sensi-

International and Sturge Under-tive business when such issues writing Agency), Mr. Edwards as bilingual education and the entered politics rather by acci-dent at the 1970 general elec-stake. Earlier this year he raised default in 1968 when no one else a storm when he suggested that Welsh-language programmes on

Billingual education is on his New Democratic Party.

Since then he has consolidated one, too. Anger at Gwynedd bis hold on the constituency and Education Committee's policy. centrated in auglicised Llanto be found in the hinterland of the Conwy constituency. But Wyn Roberts should have

enough experience in presentation at least to cope. In 1954 he became the BBC's first tele-vision news reporter in Wales and carved a career in television until becoming an MP in 1970.

Why is CLWYD ten times more interesting?

Enquiries about industrial and commercial expansion in Clwyd have increased ten-fold over the last two years. Why? Because with its full Development Area status, its large, multi-skilled workforce, proximity to major markets and national/international

communications networks this progressive Welsh county dominates the regional development scene. The news in Clwyd is about sales, not strikes – and it's a great place to live too.

Talk to us about the low-

cost sites, the factories and the extensive financial aid available to incoming available to manner industries - we'll make you a deal you can't refuse. Contact Wayne S incustrial Officer Clwyd County Council, Shire Hall,

TCL Mold 2: 1: or your fice colo

Our labour relations are excellent. Many household names are already The vital part of your communication with the rest of the world is the distance from profitably based here. goods outward to the transport networks. Backed by the sort of Local Authority support and Central Government Sciencing upoli at Hemport. you'd expect. Enjoying the living environment No site in Newport is more than .3 minutes from motorway, railhead (125 to that you wouldn't. For full details - fast - contact Paddington; or dockside. Steve Wehrle (Dept. F.T.) The airport is 30 minutes down the road. Weive industrial sites large and small for The Civic Centre, Newport, Gwent. anmadiata derelopment Telephone Newport (0633) 55491.



The 10 minutes from anywhere town.

هكذامنالأصل

OFF. NEW *EHOUSES TO

"ALTHEN WEBS.

Wrexham retains its character

WREXHAM AS a town does not centives available to industry fit easily into any of the usual settling in the area. Welsh stereotypes. With its past weish stereotypes, with its past. While in Britam as a whole prosperity founded on iron and the move was towards reducing steel, in some respects it is like the geographical coverage and an outpost from South Wales, value of regional grants, right down to the celebrated Wrexham, with more than 13 male voice choir which takes per cent of its population out its name from the neighbouring of work, was transferred from village of Rhosilanerchrugog.

建筑

At the same time Wrexham retains much of the character of a market town for the produce of the surrounding Clwyd hills, and the new borough created from the merger of three local authorities in 1974 now embraces within its 142-square miles a substantial acreage of good quality farm land. Again, with Chester only 12 miles away, Wrexham has always been exposed to English influences, and when Offa's Dyke was built in the eighth century was itself in England. Yet the district as a whole, with its area. New building methods and total pepulation of more than 100,000, is not as Anglicised as might be expected, even if the chapel is no longer the force it once was when Wrexham was one of the centres from which Noncomformity spread through-

out Wales. Wrexham has maintained its distinctiveness in other ways too, including—somewhat sur-prisingly for a once strongly Puritan town—its own drinking tradition. A German migrant who established a chemical works in the district in the 19th century (now owned by Mon-santo) built a lager brewery too. As a result, long before the recent rapid growth in lager consumption it was the Wrexham working man's drink, to-gether with beers from the town's remaining independent brewery, Border Ales.

The devotion which in South Wales straches to rugby is in Wrenham—as in North Wales generally—directed towards soccer. The Welsh representa-tives in the European Cup-winners Cup on a number of recent occasions, Wrexham last year reached for the first time in its history the second division of the Football League, and has been the scourge of several First Division sides in recent seasons in the FA Cup. Fittingly, the town houses the headquarters of the Football Association of Wales and has been increasinly used over recent years as a venue for international

found the American university unit. which now carries his name.

many ways a town on its own it is linked to other parts of Wales by chronic unemployment, as has been recognised by the recent Government decitist to start vehicle production sion to apprade the level of internal Kaiser Aluminium has

While in Britain as a whole

development area to special development area status and can now offer grants as high as those available anywhere in

The problem in Wrexham has been the rundown of traditional industries and of mining in particular. Employment in primary industry in the district has shrink from 7,000 in 1961 to only around 1,000, and the area now contains only one colliery

—Bersham. There have been substantial reductions too in the numbers employed in other traditional industries in the new materials have hit, for example, the once large tile and brickmaking activities of Wrexham and tanning— Wrexham's biggest industry be-

fore the start of coal production has also shrunk. About 10 per cent of the labour force at the British Steel Corporation's Shotton works on Deeside, where steel-making is due to end next year with the loss of more than With the toas of made and 6,000 jobs, also comes from Wrexham, so that another major threat to employment in existing industry in the area has

begun to loom.

The picture is nevertheless perhaps not quite so gloomy as the bare statistics of unemployment and job loss would sug-gest, for another of the paradoxes presented by Wrex-ham is that in the attraction of new industry the town has been remarkably successful.

From being very largely dependent on extractive indus-tries Wrexham has now built up a substantial and diversified manufacturing base which includes many of the leading Continental and U.S. as well as British names. BICC the electrical group, has two modern cablemaking plants in Wrexham and is now one of Wales's lead-ing exporters; Fibreglass has a glass fibre plant; Dunlop a rubber and plastics factory; Metal Box a plastics packaging plant and Jaeger a clothing factory.
Burlington Schappe, part of

the U.S. textiles group, makes worsted yarns in the area; Fire-VY OIIGEF

It also numbers among its sons two highly different characters—Judge Jeffreys of the Bloody Assizes fame and Eliho Yale whose money was proof to

Yale in fact incorporates in its been no less impressive. JCB main buildings a replica of the is to make components for its tower of Wrexham's most fam: industrial equipment in Wrex notably cereals, are not suitable ous building, its 15th century ham: E. Gomme, the G-Plan for most parts of Wales; beef parish church dedicated to St. furniture group is opening a markets have been acutely de-Giles and counted as one of the factory, and Kellogg has sited pressed on occasions by EEC seven wonders of Wales.

a major new plant in Wrexham subsidised imports from Ire-But while Wrexham is in to produce several of it branded cereal-lines. Continental Can, the big U.S. can maker, is also establishing a new UK base in Wrexham, ERF the truck maker

BEARMACH (London) LTD

Offers You

LANDROVER TORO OVERDRIVES SAVES FUEL AND WEAR ON ENGINE

IMMEDIATE AVAILABILITY AND COMPETITIVE PRICE PLUS ABSOLUTE RELIABILITY

PHONE 0222-41313-4-5 TELEX 497580

BEARMACH (London) LTD. BEARMACH HOUSE MAINDY ROAD CARDIFF CF2 4XN

CARDIFF-NEWPORT ROAD WAREHOUSES/FACTORIES TO LET

High Grade Specification 95,000 sq. ft. Under Construction (45,000 sq. ft. Let and Under Offer) 50,000 sq. fr. Available from September, 1979. In Units from 5,000 sq. ft. to 27,000 sq. ft. RENT £1.50 PER SQUARE FOOT EXCLUSIVE Development by Dominion Estates Limited In Conjunction with Abbey Life Assurance Co. Ltd.

- All enquiries to: Fletcher Morgan, 25 Castle Street, Cardiff. Tel: (0222) 396875/396264



AUTHENTIC MINERS TYPE OIL LAMPS

Manufacturers since 1860 of Gas-Detector Flame Safety Lamps to the Mining World.

Catalogue available E. Thomas & Williams Ltd., Cambrian Lamp Works, Aberdare, South Wales. Tel No. 0685 876107.

announced plans for a fertiliser too manufacturing unit.

Other major elements in the local economy are GKN, which re-purchased from the British Steel Corporation the Brymbo special steel works, British Celanese, the Courtaulds sub-sidiary. British Tissues and Monsanto. The town's lager brewery is now owned by Allied Breweries and is one of their main UK production bases.

The factors which have led all these groups to set up in the area differ from case to case but there are some common threads. Even before local government re-organisation in 1974 the former Wrexham Rural District Council had undertaken an extensive programme of clearance at old colliery, brickwork and other derelict sites to make land available and to existing settlements. Some of the North Wales coastline and mountains, with Llangollen, the bigger projects attracted since the war have been account to the line area is within easy reach of the North Wales coastline and mountains, with Llangollen, host every year to the line area is within easy reach of the North Wales coastline and mountains, with Llangollen, the beautiful to the line area is within easy reach of the North Wales coastline and mountains, with Llangollen, the bigger projects attracted since the war have been accountable to the North Wales coastline and mountains, with Llangollen, the bigger projects attracted since the war have been accountable to the North Wales coastline and mountains, with Llangollen, the bigger projects attracted since the war have been accountable to the North Wales coastline and mountains. modated on a huge industrial estate developed by the Welsh Industrial Estates Corporation and its successor the Welsh Development Agency on a former munitions factory site on the outskirts of Wrexham.

There has been a contribution

developers.

As well as being able to offer however, Wrexham has benefited from its geographical position close to the major markets of the North West of England and the Midlands as well as to major ports, and although some graps remain to be filled the area now has good links with the motorway

system. most Perhaps Wrexham has traditionally enjoyed very good labour relations and this has been a major factor in encouraging companies to choose the area. Wrexham is also of a size that enables it to avoid many of the problems inherent in big cities while still being able to offer most

amenities.
The area is within easy reach host every year to the inter-national Eisteddfod only a mile away. Mold, the county town of Clwyd, lies some 12 miles away and houses a recently-built theatre complex which is on the touring list of Welsh National and various

groups.

from smaller, private major tourist attraction in the older industries and with the elopers. shape of Plas Erddig, a 1,900- manpower reductions which acre estate and mansion have occurred even in modern housing a magnificent collection of furniture which was acquired by the National Trust in 1973 and recently opened to

the public for the first time.

With the growth of invest-

ment by major companies in the district commercial developments have also followed in Wrexham town centre. Re-development has taken place in the main shopping streets, and locally owned shops have now been joined by most of the major national chains. The growth of office employment has so far been slow, with Mold in-stead developing as the administrative centre for Clwyd, an amalgam of the former counties of Flint and Denbigh. Wrexham houses the North Wales headquarters, however, of both the Welsh Development Agency and the Land Authority for Wales and now has its own evening newspaper—the only daily paper published in North

The problem for the district is that jobs in new industries and in the services have failed

processes as companies struggle to improve productivity. Though the industrial mix has

improved, too, with the inward investment of recent years the area continues to be over-dependent on sectors which are declining and to be underrepresented in those that are only 45 per cent of employment. compared with more than 50 per cent nationally.

The granting of special development areas status has given Wrexham new weapons with which to tackle these problems, though with the world now entering recession again the investment climate is unlikely to be as favourable even as during the past few years. Nevertheless Wrexham has shown itself to be capable of both growth and adaptation. If it can continue to strengthen its position as an industrial and commercial base the benefits could ultimately spread across a much wider region of north Wales as a whole.

Rhys David

Tough times ahead for rural areas

THE WARNING by Mr. Myrddin Evans, President of the Farmers Union of Wales, at this year's Royal Welsh Show, that Welsh farming is entering a new and more difficult phase, can be applied to rural Wales generally. The economic and social prosperity of rural Wales these days stands on four pillars-agriculture, tourism, the attraction of light manufacturing industry and, last, local government ad-ministration and services. All four sectors face tougher times

In recent years the Welsh farming industry has felt, with some justification, that it has not reaped the full benefits of adhesion to the Common Agricultural Policy. The use of the green pound mechanism to hold affected the whole of UK agriculture.

But Welsh farmers have Other recent projects have several reasons: they operate under more difficult conditions; most profitable crops subsidised imports from Ireland; and there is still no common sheepmeat regime.

> The 10 per cent devaluation of the green pound conceded by the Government and Brussels this vear has eased the immediate pressure on margins, But the parallel strengthening of sterling against other Common Market currencies has effectively removed the room for further manoeuvre through the green pound mechanism which has existed since the UK joined the EEC in 1973. From now on, Welsh farmers' fortunes are more closely tied to those of their continental counter-parts in the annual haggle over common farm price levels in

This year's near freeze in common prices stemming from the growin gstrength of the consumer lobby and mounting concern at the budgetary cost of the CAP, does not augur well, the industry feel, for its future

In the pipeline is another steep increase in production stemming from the renewed rise in energy prices and the general upsurge in inflation. It will affect not only fuel costs but also the price of most other farm inputs, notably fertilisers.

Timing

The only big consolation on the horizon is the likely setting up of the common EEC sheepmeat regime sometime in the autumn. The exact timing is in the hands of the European Court of Justice but the court is expected to rule against the French Government's present French Government's present practice of regulating sheepmeat imports as a method of market support for its own producers.

This will force the EEC Council of Ministers to agree on a common sheepmeat policy. providing permanent access for Welsh lamb producers to the most lucrative lamb market in the European Community. If it fulfils its promise, this should help to cushion a very important sector of the agricultural in-dustry in Wales against the steep rise in costs now in pros-

changing structure of Weish agriculture was vividly illustrated recently by the deci-sion of more than 1,000 dairy producers to abandon milk production because of the phasing out of the Milk Marketing Board's churn collection service. The producers concerned-no fewer than 13 per cent of the total though producing only 2 per cent of the output—decided torian—phase in against making the investment ment of tourism. necessary to change over to bulk. Since the scheme came into



wheelwright Peter Gibbons is pictured at the Richard Brereton workshop at Painscastle, Powys.

paid out on Welsh tourist in-

vestment projects totalling £15.5m. The inclusion last

November of the North Wales

coast (and the Wye Valley) in

the scheme has brought a flood

of inquiries for grants from an

area which is the most import-

ant in Wales in terms of tourist

earnings, yet where many resorts need badly to upgrade

Of the more immediate con-

cern is the impact of the

Government's regional aid cut-

back on the work of the Develop-ment Board for Rural Wales

which has achieved notable suc-

cess in providing new job oppor-

tunities to rural communities

since it was established 21

Besides bringing new thinking

to bear on the exploitation of

the natural resources of mid-

Wales such as fishing, peat, tim-

her, slate waste and the tourist

market, and improving social

amenities, the Board has suc

ceeded in letting more than 100

advance factory units to a wide

but a factory employing a

dozen people often is enough to sustain a village community in mid-Wales which otherwise would become empty of all but

weekend second-home owners.

Board's operating area without

development area status from 1982 onwards, making it far more difficult to maintain the

impetus which has brought new

hope to communities which have

suffered the ravages of depopu

Even before the Government's

regional cuts, the task of attract-

ing new jobs to the remoter

parts of rural Wales was looking

lation for generations.

The cutback in regional aid will leave a large part of the

Most are small enterprises,

range of light industries.

Community

their facilities.

years ago.

collection by milk tanker, which effect, about £5.2m has been obligatory from

The changes mark the end of an era. The establishment of the Milk Marketing Board in 1933 and the introduction of the monthly milk cheque was instrumental in gradually transforming the traditional Welsh mixed family farm, operating at near subsistence level, into a business. Now the pressure towards more and more specialisation has produced a sharp jump in the overall trend in Wales towards cattle and sheep production at the expense of milk.

The rise in sterling and the renewed energy difficulties are also hitting Wales's all-important tourist industry. At best, this year will see earnings held at last year's level, when bout 13m visitors spent about £425m, much of it in areas which have little other economic

activity apart from agriculture. A significant feature of recent years has been the growth in the number of overseas visitors. Thanks to the promotional activities of the Wales Tourist Board increasing numbers from America and the Continent have been diverted away from the tourist " milk run " of London. Stratford-upon-Avon and Edinburgh to enjoy the delights of the Welsh landscape. Such visitors—about 2m last yearhave been particularly im-portant to the hotel trade. buoying up the occupancy rate against the general tourism trend towards self-catering

It is already clear that the strength of sterling will mean fewer foreign visitors this year. Reports of petrol shortages in rural areas have also put off domestic visitors.

The tourist board is hoping

that there will be a compensation effect - English tourists were planning to go to Scotland deciding to take their holidays nearer home instead. Paradoxically, the worsening

general economic climate may also help the Welsh tourist in-Certainly, the experience of 1975-77 was that Wales became a substitute for many Continental holiday. But in present circumstances

the industry will be hpply if it holds on to its share of the mar-And, in this context, there is some anxiety that the new Conservative Government's public expenditure cuts do not extend to the grants available under section four of the 1969 Tourism Act. These have been of immeasurable importance in modernising Wales's ageing tourist accommodation, much of it built during the first-Victorian-phase in the develop-

less easy because of the recent steep rise in transport costs and the implementation of EEC regulations which will limit lorry drivers to a maximum of eight hours a day behind the wheel from 1981. Dearer fuel will also put further pressure the already severely curtailed rural transport services.

Yet perhaps the most worrying development of all for rural Wales is the threatened further large cutback in public expenditure. A major cut in rate support grants combined with a Government switch in emphasis towards helping inner cities will not only weaken Welsh local government but reduce a major source of employment for many parts of rural Wales.

Everyone gets a share of the good life in our garden.

Industrialists considering expansion or relocation couldn't do better than Cwmbran New Town, garden city

It's an Intermediate Development Area so you may qualify for government grants and rent-free periods. We have factory units up to 10,000 square feet for immediate letting. Good housing ready for key personnel. Plentiful labour.

London and the Midlands are only two hours by motorway or 90 minutes by rail, airports are conveniently close and some of Britain's best dock facilities are on

Life is good here. Golf, salmon fishing, the River Usk. Wye Valley and Brecon Beacons are all nearby.

Maybe we should rename our beautiful area the Welsh Garden of Eden!

For literature, return the coupon to R.W. Howlett, General Manager, Cwmbran Development Corporation, Cwmbran, Gwent NP441XZ. Or telephone Cwmbran 67777.

Cwmbran

Garden City of Wales

Wherever you are, if you have design, materials or engineering problems which polyurethane, general plastics or composite materials might solve, the enormous research and development potential of a leading international company is at your fingertips. Just get in touch with Dunlop at Wrexham.

engineering components in a variety of modern high technology materialsplus a constant flow of new developments for a wide variety of markets and an extensive range of manufacturing processes.



Dunlop Limited, G.R.G. Division. Wrexham Industrial Estate, Wrexham, Clwyd. Tel: 0978 61171 Telez: 61448 Telegrams: Dunlop Wrexham. A subsidiary of Dunlop Holdings Ltd.

What makes this Special Development area so Special...

Ve do mate!

3,000 men with one of the finest work records in European industry are waiting to work for you at Blaenau Gwent

Like other special development areas around Britain, we could feature majestic mountain scenery or happy executives fishing for trout in wild waters... but our greatest assets are Garry Norris and his mates! Many of them from Ebbw Vale Steelworks and together they established one of the linest work records in European history.

FOR 40 YEARS THERE WAS NO MAJOR INDUSTRIAL DISPUTE AT THE EBBW VALE STEELWORKS Garry Norris and his mates are proud of this record. They are typical of the total force of experienced workers with different skills, resident

in Blaenau Gwent. FINANCIAL INDUCEMENTS ARE EXCEPTIONAL

Normal special development area incentives are available which together with additional benefits available in a steel closure area amount to the best financial package of fered to

industrialists in Great Britain. This is the opportunity that is waiting for industrial development in Blaenau Gwent - a perfect location for work close to the M4 and M5 motorways. A perfect place to live - surrounded by some of the finest unspoilt countryside in Britain, on the edge of a National Park. Send the coupon to, or telephone, Roger Leadbeter, who will be pleased to discuss your special requirements.

BLAENAU GWENT opportunity looking r=== for Industry-===

Borough of Blacuau Gwent, Municipal Offices, Civic Centre, Ebbw Vale, Gwent, NP3 6XB

Abolish the home loans cartel

BY SAMUEL BRITTAN

EVERY TIME interest rates of modest means to benefit a rise we have the familiar saga minority of borrowers, whose of the Government leaning on incomes tend to be above averbuilding societies to hold down interest rates come down or the Government gives a subsidy, building societies must eventually both pay more to investors and charge more to borrowers.

all. When successive governfinancial institutions it is not clear why the system of recommended rates by the building societies should have remained intact, and indeed reinforced by official action. As early as 1965 the Aubrey Jones' Prices and Incomes Board found that the system of recommended rates led to margins between investment and mortgage rates sufficient to allow the least efficient societies to survive. In 1967 the PIB recommended the abolition of both the clearing bank and the building societies cartel. The bank cartel went when Competition and Credit Control was introduced in the early 1970s; yet the system of recommended building society bulk of investors and horrowers, leads a charmed life.

Competition

These facts are recalled in an Institute of Economic Affairs Paper (The Building Society Price Cartel, by T. J. Gough and T. W. Taylor) published today. The Paper recommends the abolition of the cartel on the grounds that its abolition would lead to keener rate competition both for investors funds and for mortgage business. It would also end the periodic alternation of feast and famine in the mortgage market.

All this needs saying very loudly. But the most interesting feature of the IEA Paper is what it reveals about political economy of government interfact the from holding down mortagage tates far outnumber the gainers, There were in 1977 only 4.6m borrowers, but 20 million share accounts with the building societies. Indeed the staggering tions is not to prescribe partiproportion of almost half of all personal savings, is held with the societies. About 70 per cent of these savings are held by people over 55 and almost onefifth by people not liable to

age, may seen a peculiar form mortgage rates. The effect can of social redistribution. The political logic of this is in the assumption that building society savers are elderly, set in their political ways, and not too inclined to switch either their political allegiance or their financial portfolio.

Many people must have By contrast borrowers tend to wondered why mortgage rates be young, politically volatile have to be fixed in this way at and in the early years of their repayment vulnerable to swings ments have sponsored policies in rates. But even among mortmore competition among gage holders, political intervention to hold down rates is discriminatory. The losers are potential mortgage holders turned away by societies apply-ing excessively strict criteria to ration funds. The gainers are existing borrowers, and those new borrowers who succeed in running the scrutiny gauntlet. Here it is a majority exploiting a minority and in the proces making society less mobile and adaptable to stresses and changes in personal needs.

Privilege

The question arises whether reform should be limited to ending the cartel; or whether the privileged position of one form of financial institution at the expense of others, related their Friend'y Society basis should continue. If other organisation, including avowedly profit-seeking ones, could compete on equal terms we might see a much more imaginative development of instruments on both the borrowing and lending side. The irritation of borrowers at having to pay fluctuating rates is understandable enough even with the option to extend the term of their mort age.

Much of the political clemour arises from the fact that although home purchasers have been able to borrow at a negative real rate of interest to purchase an asset appreciating in real terms, there is nevertheess a heavy concentration of the financing burden in the early vents of a mortgage. Ever without formal indexation, "low start " mortgages mould relieve some of the pressure.

The point of these observa cular alternative patterns. It mercly to suggest that competition among profit-making institutions, subject to normal consumer protection laws, is as suitable for home finance as for income tax.

Holding down the returns of a large number of older people medical treatment arguably is.

T. Carmody (9-2), R. Lamb on events.

To have a low on the returns of the returns

European law creeps into English practice

FOR MORE than five years now procedural safeguards necessary the legal profession has been before a deportation order can in increasing numbers have begun to speak the language of Community law, to talk of Community rights and obligations. and to apply them to a whole range of disputes. A whole new system of law has crept into the English legal ethos.

Familiarity with the provisions of the Treaty of Rome and the myriad directives and regulations that have poured out of the Council and Commission in Brussels has been promoted by the contact of British lawyers with the EEC's main legal institution, the European Court of Justice at Luxembourg. In the early days following accesseized the opportunity of raising points of Community law in English litigation. But the experience of a handful of enterprising practitioners seaped through. In the last fortnight of the law year just ended no fewer than five cases have either been referred to Luxembourg preliminary ruling on a point of EFC law or are potential candidates for early refer-

A magistrate at Pontypridd gration process as it affects EEC nationals. The Divisional Court They has sent a case concerning the strated both their misunder-

learning gradually to adapt itself be made against a migrant to a new dimension in the law worker who was recommended brought about by our accession for deportation by an Old Bailey to the Treaty of Rome. Lawyers judge five years ago. The Court of Appeal has sent an equal pay case to Luxembourg the first time Lord Denning has made a reference. A second equal pay case concerning pension schemes is under judgment in the Court of Appeal but is thought likely to find its way to the European Court. And Lord Bruce of Donnington is expected to ask the Commissioners of In-

land Revenue to refer his claim to exemption to tax on his expenses as a British representative to the last European Assembly. A reference by the House of Lords earlier this year on the import control of Pornography will be heard at Luxemcases are in the pipeline, at least one from a National Insurance Commissioner. This burgeoning of EEC law into our national legal system

immeasurably advanced by the personal contact of English lawvers with the legal process at Luxembourg. As English lawyers appeared before the European Court and relayed their experiences back home, so the incoming tide of EEC law has engulfed their professional colleagues. has referred an important point there are lawyers who have offecting the whole of our immi-remained insularly remote from the development in Europe. actively demon-

committed to the European that only in very rare cases venture. venture. will the legal aid fund pay for the backsliding in the European movement is exemplified solicitors at the oral hearing.

THE WEEK IN THE COURTS

BY JUSTINIAN

Society, the professional body of English lawyers with the at Luxembourg, the parties to for 30,000 solicitors. That body Court process is to be denied the litigation, the European has been responsible for adin those cases where the Commission and any of the ministering the civil legal aid national litigation is stateever since its inception in 1950. aided as the European Court tries that wish to participate More than two years ago the does not operate any system are given two months in which Lord Chief Justice, Lord Wid- of legal aid for national litiga- to lodge their written observagery, ruled that a legal aid tion. The legally-aided litigant tions. Once lodged, these are certificate granted for the puris also denied his lawyer's circulated among the participose of proceedings before an advocacy against his opponents, pants, but no opportunity is English court covered any pro-ceedings before the European that in cases before the Euro-that in cases before the Euro-that in cases before the Euro-said by another party until the Court of Justice when the national court referred a point of Community law to Luxem-bourg.* Counsel for the Law tations. It adds that the only Society at that time sounded a circumstance that would justify warning note that Lord Wid- representation at the oral heargery's ruling did not necessarily mean the legal aid fund would meet the costs of sending counsel and solicitors to the oral hearing at Luxembourg. And the Lord Chief Justice con-firmed that his ruling was only

by no less a body than the Law In effect, the valuable contact Society, the professional body of English lawyers with the

pean Court, written representa- oral hearing. tions are of much greater ing would be if all the otherparties—the opposing litigant, the European Commission and any member-State that had put in written observations on the case-were ranged against the legally-aided litigant. That cir-

English legal profession. English barristers are held in high esteem by the judges of the Court. They have privately indicated how much they value the good advocacy which the British lawyers have exhibited compared with their European

While it is true that heavy reliance is placed on written pleadings, the oral hearings are far from being a formality. Once a reference is registered governments of the nine countries that wish to participate

The oral hearing is intended to be short although no actual time limit is imposed, such as is the practice before the Supreme Court of the United States. The parties can not only deal with fresh matters that arise from the written observations or correct something said in them, but also have the opportunity of seeing 269.

standing of the European on the question of principle. cumstance, the Law Society and commenting on for the first concludes, is likely to be rare. He left to the legal aid authority that has been fostered by the few ardent Europeanists. It is another, albeit minor, sign that Britons are not wholeheartedly committed, to the European that only in very large cases harristers are held in high ber of the Court who is deputed to summarise the arguments from the written points of law for the court's-determination.

In the Court's early days there was virtually no questioning of counsel by the judges. Now the Court has begun both to ask questions at the end ofcounsel's submissions and evenintervene during the course of those submissions in the best Angle-Saxon tradition. Those

who have experienced the pro-

cess testify unanimously to the benefit of arguing orally in support of the written brief As the British influence on the Court increases (as it undoubtedly will) so the written and oral representations will provide a satisfactory forensic alchemy in a system of justice that is heavily pressed with the growing volume of work. It would be a pity if that desirable process were to be hindered. bowever peripherally, by anobscurantist policy on the part of the legal aid authorities in Britain. Indeed, the European Court may regard the Law Society's action as an indirect interference with the procedural law for making references to Luxembourg. ... R v. Marlborough Street Stipendiary Magistrate, ex parte

Bouchereau [1977] 1 C.M.L.R.

Jonjo O'Neill looks good bet for National Hunt at 6-4

MORE INTEREST can seldom have been aroused in the fate of the two important jocker championships, and it is not surprising to find bookmakers again eager to let punters dive into waters that have almost always proved tricky in the

The 1978 Flat Season saw the odds-on Pat Eddery having to concede his title to Willie Carson; and in the last jumping campaign. Jonjo O'Neill almost equally cramped odds) was almost knocked out of the reckoning early on through

Carson is generally quoted at evens to retain the Flat title, with Pat Eddery at 13-8 and followed by J. Francome (13-8),

(33-1) and Bob Davies (50-1), quired by Dick Hern, and Although few will forget Scobie Breasley, when a grand father and a few months short of his 50th birthday, holding off a dramatic late bid by Lester Piggott, it seems improbable

RACING

BY DOMINIC WIGAN

that such a fairy-tale climax to the current season will await

Henry Cecil's highly experienced and canny rider still leads the table but few of his successes have been achieved from rides. ' outside " Joe Mercer 3-1. O'Neill is phenomenal flow of winners obtainable at 6-1 for the from Warren Place must surely National Hunt Championship, dwindle shortly and then a very different complexion will be put

reads a personal choice of ANGLIA

10.30 am Andy's Party. 10.55 Weir's Wey. 11.20 The Paper Lads. 11.45 Oscar. 1.25 pm Anglis News. 2.00 Houseparty. 2.25 The Lovo Boat. 3.20 Rumpole of the Bailey. 5.15 Get Some In. 6.00 About Anglio. 11.15 Doctor's Private Lives. 12.15 am Reflection.

4.30 pm Cricket: Second Test—
England v. India.
6.30 Open University.
6.55 Pick of the Philpott File.
7.45 Mid-evening News including Sub-titles.
7.55 For Valour.
8.10 The Waltons.
9.00 T. J. Thorpe Sings
Country.
9.25 Inside Story.
10.13 Best of Brass.
10.50 Return Call to Brass
Tacks.
11.60 Late News.
11.15 Cricket: Second Test highlights.
11.45 Closedown reading.
11.60 Can About Andia. 11.15 Dector's Private Lives. 12.15 am Reflection.
ATV
10.30 am Dick Tracy. 10.25 Sesame Street. 11.35 Ghost Bustars. 1.20 pm ATV Newsdosk. 3.00 Movie Mannes The Mark of Zoria. 5.15 Surival. 6.00 ATV Today. 11.15 Police Surgeon. 11.45 Something Different.
10.30 am Andy's Party. 10.55 Weir's Way. 11.20 The Paper Lads. 11.50 Oscar and the Great Wooderoo. 1.20 of the Bailey. 5.15 Cabbanes and Kings. 6.00 Lookaround Monday. 6.20 The Sound cl. Mannan Montgomery. 11.15 The Do-Gooders. 12.00 Barney Miller 12.30 am Border News Summary.
11.45 Closedown reading.
11.60 About Andia.
11.15 Dector's Private Lives. 12.15 am Reflection.
ATV
10.30 am Dick Tracy. 10.25 Sesame Street. 11.35 Ghost Bustars. 1.20 pm ATV Newsdosk. 3.00 Movie Mannes Street. 11.35 Ghost Bustars. 1.20 pm ATV Newsdosk. 3.00 Movie Mannes Street. 11.35 Ghost Bustars. 1.20 pm ATV Newsdosk. 3.00 Movie Mannes Street. 11.35 Ghost Bustars. 1.20 pm ATV Newsdosk. 3.00 Movie Mannes Street. 11.35 Ghost Bustars. 1.20 pm ATV Newsdosk. 3.00 Movie Mannes Street. 11.35 Ghost Bustars. 1.20 pm ATV Newsdosk. 3.00 Movie Mannes The Mark of Zoria. 5.15 Surival. 6.00 ATV Today. 11.15 Police Surgeon. 11.45 Something Different Newsdosk. 3.00 Movie Mannes Street. 11.35 Ghost Bustars. 1.20 pm ATV Newsdosk. 3.00 Movie Mannes The Mark of Zoria. 5.15 Surival. 6.00 ATV Today. 11.15 Police Surgeon. 11.45 Something Different Newsdosk. 3.00 Movie Mannes The Mark of Zoria. 5.15 Surival. 6.00 ATV Today. 11.15 Police Surjeon. 11.45 Something Different Newsdosk. 3.00 Movie Mannes The Mark of Zoria. 5.15 Surival. 6.00 ATV Today. 11.15 Police Surjeon. 11.45 Closedown Police The Mark of Zoria. 5.15 Surival. 6.

1.20 pm Channel Lunchtune Nows and What's on Where. 3.00 The Mohdav Mannec: McCloud. 5.15 Cabbana and Kings. 6.00 Channel News. 6.10 The Boverley Hilblies. 10.28 Channel Late News. 11.15 Fantasy Island. 12.10 am News and Vestier in French. GRAMPIAN

9.35 am First Thinn. 10 30 Mr. John Green Gold. 10.55 Wen's V/av. 11.20 The Paner Lada. 11.50 Oscar and the Great Wooleros. 1.20 pm Grampien News Headlines. 3.00 Monday Majasas. The Desporate Miles: 5.15 Out of Town. 6.00 Grampian Today. 6.05 Flair 11.15 Reflections: 11.20 Survival Social. 12.20 am Grampian Late Night Headlings.

UKANADA

10.30 am Sesame Street
fee of the Dirosauts 11.45 A Handful
of Songs 1.20 pm Dick Tracy 3.00
Mendby Mittnee "The Sinecialists."
5.10 Feirs the Cot. 5.15 Disciplants."
6.00 Granada News. 6.05 The Rande
Reports. 6.30 Get Same in. 11.15
Calcate World Mixed Gott Chempione-

Capital Radio: 1548kHz, 196m & 35.8vbf

Eddery, who has, remarkably, kept in touch in spite of the fate of Seven Barrows, should quickly begin to dominate. In the belief that Peter Walwyn's string may at last be over the worst as far as the virus is concerned, and that Seven Barrows will field many of lightly raced runners in the autumn. I would not care to

oppose Eddery. Provided that Jonjo O'Neillwithout doubt in my mind the outstanding jump jockey of recent years—suffers no similar lay-off this season, the National Hunt Championship should be a formality. Six to four against that possibility should be taken.

RIPON 2.30—Athford*** 3.30—Top Call** 5.00—Carnival Dance WOLVERHAMPTON 6.05---General Sovinski

LINDA. Aug 22 to 29: LA SYLPHIDE.
SADLER'S WELLS THEATRE. Rosebery.
Arc., EC1. 837 1672. Aug. 7-18.
DAMCE THEATRE OF HARLEM
Eys. 7.30. Mat. Sat. 2.30: Instant CC,
Bookings on 837 7734-7505.
Tomor Aug 8, 11, 17, 18 (evg): Serenade,
Troy Game, Manifectations, Foor Temperaments. Aug 9 10 (evg) 11 (mat. 15,
16 (evg) Allogro Brittante. Biosfera.
Mirago. Agom, Dougle, Aug. 13, 14
(evg) 18 (mat. Shapes of Evesting, 6.30-Secret Minstrel* Service except: 10,30 am Eisteddfod Genedlaethol 1879. 1,20 pm Penawdeu Newyddion y Dydd. 6,80 Y Dydd yn y Britwyl. 8,30 Yr Wythnas. 11,15 ywyd (discussion on Weish books). HTV West. As HTV General Service SCOTTISH

10.30 am Andy's Party. 10.55 The Cauteways. 11.20 The Paper Lads. 11.45 Opcar. 1.25 pm News. 3.00 Monday Metinee: "Art of Crime." 5.15 Popeye. 5.20 Crossroads. 6.00 Scotland Today—Summer Extra. 6.30 Crimedesk. 6.45 The Sounds of Guys and Dolls. 11.15 Late Cell. 11.20 Colgate World Mixed Golf Championship. THEATRES ABELPHI THEATRE. 01-B36 7611.

Evenings at 7.30.

Mats. Thurs. at 3.0. Sats. 4.00.

JOHN HNMAN in

"GLORIOUS FARCE" Daily Tel.

"CHARLEY'S AUNT
"Thoroughly enjoyable." Suo. Tel.
"Laughs flow ireely," N. of World.

ALBERY, From 8.30 am Incl. Surs. 836-3878. CC bookings 835 1071-3. Evgs. 7.45. Thur. and Sat. 4.30 am 8.00. A THOUSAND TIMES WELCOME IS LIONEL BART'S OLIVER "MIRACULOUS MUSICAL." Financial Times. Financial Times. Financial Times. GILLIAN BURNS. MARGARET BURTON. Party rates and student stand-by avail. SOUTHERN

10.30 am Andy's Party. 10.55 Weir's Way. 11.20 The Paper Lods. 11.45 Oscar and the Great Wooleroo. 1.20 pm Southern News. 2.00 Houseparty. 2.25 The Love Boat. 3.20 Rumpole of the Balloy. 5.15 Drck Tracy Certoon. 5.20 Crossroads. 11.15 Southern News. Extra. 11.25 Electric Theatre Show. 11.55 Farm Progress.

TYNE TEES

9.25 am The Good Word followed by North East. News Headlines. 10.30 Andy's Party. 10.55 Wor's Wey. 11.20 The Paper Lods. 11.45 Oscar and the Great Wooleroo. 1.20 pm North East. News Headlines. 10.30 Monday Matinos: The Straw Man, starring Dermot Waish. 5.15 The Best Diracn in Town. 6.00 Northern Life. 11.15 Jazz Night. 12.00 Police Surgeon. 12.30 am Epilogue. SOUTHERN ALDWYCH. CC. 836 6404. Info. 836 5332. Fully air-conditioned. ROYAL SHAKESPEARE COMPANY

Bulgakor's THE WHITE GUARD
"Exciting warm-hearted" enchantingly tender" D. Tel.
With: ANTONY AND CLEOPATRA

Isold out until Fri)
RSC also at THE WAREHOUSE Ised
under W.1.

ULSTER ULSTER
10 30 am Andy's Party. 10.56 Weir's
17.20 The Paper Leds. 11.45'
Oscar. 1.20 pm Lunchtime. 3.00
Monday Matines: "Blood Sport." 4.18
Uister News Headlines. 5.15 Cartoon
Time. 5.20 Crossroads. 6.00 Uister
Television News. 6.15 Family Matters.
6.30 The Mary Tyler Moore Show. 11.15
Colgate World Mixed Golf Championship. 12.15 am Bedtime.

WESTIM/ADDY WESTWARD

RSC also at THE WAREHOUSE 1960

UNDER WAREHOUSE 1960

UNDER WAREHOUSE 1960

AMBASSADORS. CC. 01-836 1171.

EVE. B.00. Fri. and Salt. 5.30 and 8.30.

DINSDALF LANDEN, CWEN WATFORD.

DAVID BURKE. ANGELA DOWN

"THE IMPACT HIT ME LIKE A
THUNDERSOLT FROM JOVE. THE
LANGUAGE. THE MIT WIT AND
INTELLECTRIFIES." Daily Mail.

BOD I E S

"WHEN WE HAVE LAUGHED AT ITS
WIT. BEEN HELD IN THE GRIP OF 175

DRAMA AND RYVELLED IN THE
COLOURS AND LAYERS OF 175

LANGUAGE. BODIES STILL RAISES

LANGUAGE. BODIES STILL RAISES

ECHO AFTER ECHO IN OUR MINDS
AND HEARTHS. DINSDALE LANDEN'S

MILES TO BODIES

"MR. LANDEN GYES WHAT I INSIST
13 THE BEST PERFORMANCE IN A
MODERN PLAY NOW TO BE SEEN IN
LONDON." EV. NAWS.

POLLO THEATRE. CC. 01-637 2653.

EVS. 30. Salt. S.0 and 8.0. MIST. THE.

EVS. 30. Salt. S.0 and 8.0. MIST. THE.

APOLLO THEATRE. CC. 01-637 2653.

EVS. 30. Salt. S.0 and 8.0. MIST. THE.

LAVENDER TIMOTHY

A VERY FUNNY NEW COMEDY BY
THE AUTHORS OF BOEING BORING
THE AUTHORS OF BOEING BORING

FEYDAU LIVES. CA VAI' GM. "IT
WILL PROBABLY RUN AND RUN."

WILL PROBABLY RUN AND RUN."

ARTS THEATRE.

TOM SLOPPARD'S

TOM SLOPPARD' GRANADA

10.30 am Sesame Street 11.25 Valled of the Curoagus 11.45 a Handful of Songs 1.20 pm Dick Tracy 3.00 Menday Matunes "The Specialists." 5.10 Felix the Cot. 5.15 Crossmads, 6.00 Granada Riews, 6.05 The Rander Reports, 6.30 Get Same in, 11.15 Calculate World Mixed Golf Chempion Sin HTV

10.30 am Andwis Party 10.55 Wart's Valv. 11.20 The Paper Lads, 11.45 Oncer and the Great Wooleroo 1.20 pm Report West Headlines, 1.25 Report Wales Headlines, 3.00 The Michel Legrand and Friends, 11.15 The Roman Holidays Mixings 6.00 Wostward Captain Name: "Sidekicls 5.15 The Undersoa Adventires of Captain Name, 5.20 Crossmads, 6.00 Headlines, 1.25 Stars on less 1.35 The Sullivans Responsible Mixed Legrand and Friends, 11.15 The Do-Gooder, 12.00 Barrey Miller Wooleroal Captain Name, 5.20 Crossmads, 6.00 House Wooleroal 1.20 pm Calcular News, 1.25 The Roman Holidays, 1.20 pm Calcular News, 1.20 Crossmads, 6.00 House Wooleroal Captain Name, 5.20 Cap

Daily Mail.

ARTS THEATRE. 01-836 2132.
TOM STOPPARDS:
OIRTY LINEM
"Hilarious . do see it." Sun. Times
Monday to Thursday 8.30. Friday and
Saturday 7.00 end 9.15.
NOW IN 175 4th YEAR!
Lowest Briced. best Sorts in London.
54.00. E3.55, £1.50 + 15p temp memb

LOWEST PRICES DEAT SOURS IN LONGON ASSOCIATION OF PRICES OF SOURS IN LONGON ASSOCIATION OF SOURS OF SO

RAYMOND REVUEBAR. CC. 734 1993; At 7.00, 9.00, 11.00 nm. Opens Suns. PAUL RAYMOND arresens THE FESTIVAL OF EROTICA 22nd sensational year Fully air-conditioned

ORURY LANE CC. D1-836 8:08. Evs. 8 pm. Friday at 6.00 pm and 5.45 The RIO EXTURDADANCE

The Gancers vibrate, oscillate at outside while topicss, yet recining the baubles, bangles and beads. E. New BOOK NOW—SEASON ENDS SAT.

AUG. 18.

FORTUNE, 836 2238, Evgs. 8.00, Mats. Thurs. 1.00, Saturdays 5.00 and 8.00 AGATHA CHRISTIES MURDER AT THE VICARAGE FIFTH GREAT YEAR

GL RE THEATRE, CC. 01-437 1592.

Mon. to Fn. Eves. 8.00, Mats. Wed. 3.00.
Saturdays 5.00 and 8.30
ANTON RODGERS
GEMMA CRAVEN
OIANE LANGTON
ANDREW C. WADSWORTH
DAVID HEALY: III
SONGBOOK
A new musical by

DAVID HEALY IN SONGBOOK A sew musical by MONTY NORMAN and JULIAN MORE "This stunning occasion . the best Strillen musical of this year and a few year; gone." F. Times. "Extremely funny received with delight." E. Standard. "Brilliant cast." E. News. "Happy celebration of arty tymotal years." D. Tet.

GPERNWICH THEATRE. CC. 01-858 7755. Evenipos at 8.00. Mass. Sat 2.30. IRENE HANDL. AMANDA BARRIE IN TEN TIMES TABLE. "Non-shop languiser" D. Mirror.

HER MAJESTY'S. CC. D1-S10 5505.
Evenings 8.00. Fr. Sat. 5.15 and 8.45
AINT MISSERAYIN'
The New Fit Waller Music I Show
"A RIOTION" HIT "DAILY MAH
"JUBILANT. THE REST PERFORMANCE
OF ANY KIND IN LONDON. Ob.

Ing with Lenny Bruce himself, warts On.
LYRIC THEATRE. CC. 01-437 3686.
FYES ECO. Mals. Wed. and Sot. 3686.
FISSICA CHUMEN
FROM 1978 Philate Proc play
In the 1978 Philate Proc play
I'm General by
MIXE NICHOLS
"TWO RARE AND SUPREME PERFORMANCES," Galvagan.
EXTREMELY FUNNY NEW YORKET.

MAYFAIR

ANGEL FOR ANGEL FOR ANGEL BOSS.

Evenings 8.00. Sat. F.OR ANGE. 8.05

A DAY IN MINITARY ON THE STANDARY

A MUSICAL FEUIE

"Supericition north connects." E Now.

"supericition for the same for

The Manual of the Company of the Manual of the Company of the Comp

ROYAL COURT THEATRE UPSTAIRS 730 2534: Eves 8.00 MARIE BUUCE by Wallace Shawe, Last Week

ROYALTY.

Monday-Thursday evenings 8.00. Prices
5.30 and 8.45. Saturdays 8.02 and 8.05.

De guessing grown Sugar

One of the most excising musical

for years. Now.

SOOK NOW—ENDS SAT. AUG. 18. ST. GEORGES, THE JONLY ELIZABETHAN TH Turbell Park Rd., N.7. 507 1128 Mats Toes and Sat. 4.00, Evg. 7128 Ton't Tomor Wed AS: YOU LIKE 17 Thus to Sat Julius CAESAR. Take to Sat JULIUS CAESAR.

SAVOT THEATRE 01-836 8888.
Credit Cards 01-734 4772.

"BRIL PATERSON one of these rare young hons of British Theatre" F7.
WHOSE LIFE IS 17 ANYWAY 7

WHOSE LIFE IS 17 ANYWAY 7

WHOSE LIFE IS 17 GUARDAN OF THE YEAR

TO Brian Clarke. "Momentous Play, I urse you to see It. "Guardian.
Evs. 8, 5at. 5.45. and 8.45. Red, price Mattinee Wed. 3.00. 2nd GREAT YEAR.

PRINTING WES. 1.00 JPG GREAT YEAR.

ST. MARTIN'S. Credit Cards 836 1443.

EVES. 8. MRL THURS. 2.45. Sat. 5 & E.

AGATHA CHRISTIE'S

THE MOUSETRAP

WORLD'S LONGEST-EVER SUN

Z7th YEAR. STRAND, 01-836 2560 Evenings 8.00-Mst. Thurs. 3.00. Sans. 5.30 and 8.30 MO SEX PLEASE.
WE'RE ERIFISH
LONGEST RUNNING COMEDY IN THE WORLD.

YALK OF THE TOWN. CC. 01-734 5051.
AIR CONDITIONING. CREDIT CARDS.
CELEBRATING 21 YEARS.
From 8.00. Duling and Danding.
9.30; SUPER REVUE
BURSLY
At 11; BURDLY GRECO

YAUDEVILLE, CC. 01-836 9008. Evs. 8. Mat. Wed. 7.45. Set. 5 & 8.30. EDWARD FOX In

THE FAMILY REUNION
BY T.S. ELICT
"This Is End's greatest play." D. Tel.
"This Is End's greatest play." D. Tel.
This Is End's greatest play. D. Tel.
This Theatre is (ully air-consigned."
VICTORIA PALACE. CC. 01-828, 4735-5.
O'I-834 1317.
Evs. 7.30. Mats. Wed. and Sat. ZAS.
"BLOCKBUSTING SMASH MIT
MUSICAL." Daily Mail.
Best Musical of the Year 1978. Ev. Std. WAREHOUSE, Dommar Theatre, Covert Gerden, Bez Office 836 6808. Royal Shakesoeare Co. No pert bort, Irome, SARE THROATS, About the bower of sex as momey not sulfable for rhildren. All scats £2.10. Students £1 10. Adv. bkgs irom Aldwych.

seats £2.10. Students £[10. Adv. bkgs from Ajdwych.

WESIMPINSTER, CC. 5. 01.834 0283.
Evgs. 7.45. Mats. Wed. and 51. 3.08.
Evgs. 7.45. Mats. Wed. and 51. 3.08.
The best Mikado I've And SULLIVAN'S

"The best Mikado I've Adder" "What's On "A Surptise and a delignt." The Stage.
Tickets £3.25. £4.25. £5.36.
JOSEPH AND THE AMAZING
TECHNICOLOR "OREAMCOAT.
Nov 18. Jan 18th. Book exterday.

**Ring 834 B283.

WHITEHALL. CC. 01-830 5692-7765.
Monday to Thursday 8.00. Frl. and Sat.
Monday to Thursday 8.00. Frl. and Sat.
Monday to Thursday 8.00. Frl. and Sat.

"I' is a footstamspine, bullading actuapacked Arricon musical. News of World.
FOURTH GREAT YEAR

WINDMILL. CC. 01-436 5312: Twee. PACKED ATICAT MUNICAL, NEWS OF WORLD-FOURTH GREAT YEAR

WINDAMILL, CC. 01-836 5312: Tweemidhily at 8.00 and 10.00. Sum. 6.00and 8.00. Paul Raymond presents RIP.

O'F. The arctic experience of the moderareal. Fourin oreal year. Now showingnew Second colition, New girls, new actsnew production.

WYNDHAM'S. Prom. 8.30 am incl. SurfGreek Soze. Credit Care base. 836

1071 Mgn.-Thurs. 8.00. Fri. and 526

1071 Mgn.-Thurs. 8.00. Fri. and 526

"ENORMOUSLY RICH"

Mary O'Milley's smash-hy commet

GNEE A CATHOLIC

"Your surry." Evening News.

"Sure-are crimedy of yex and religion."

"Sure-tre critecty of rex and relique."
Daily Tel MAKES YOU SHAKE WITH
LAUGHTER " Guardan. YOUNG VIC. 928 6363, Aug 8-26, An original musical NIGHT CHILD.

CINEMAS

AGC 1 & 2, Shaffesbury Ave. BJ& 8861. Sep. upris: ALL SEATS BOOKARLE. 1: THE DEERMUNTER (X. WK. & Sup. 2.15. 7.30. 70mm Doby stered. 2: LOVE AT F183T BITE (AA: WK. and Sup. 2 00: 5.00 8.15. Jun 2 U. J. 20 8.15.

CLASSIC 1. 2. 5. Haynaket Urccadily:
Cross Tubel. 01-839 1527.

1: J. R. B. Tolteen's The LORD OF THE
RINGS (A. In Dobe Sierce, Pros. 12.30.

2.55.5.40 pt. 20.

Robert Shaw AVA.

LANCAR EXPRESS (A). Progs. 2.00.

4.10, 6.25, 3.35.

2. George Mamilian Const. 4.10. 6.25, 3.35. 2: George Hamilton, Susan St. James, LOVE AT FIRST BITE (AA) 1.25, 3.40 6.00 8.20. CLASSIC 1, 2, 3, 4, Oxford Street BX6
0310 - oops. Tottennam Court Rd. Tuber.
1: J. R. R. Tolkien's THE LORD OF THE
RINGS (A). In Dolby Street. Prgs. 12.30,
3.25. 5.50, 8.20
2: BUCK ROGERS. IN THE 25TH
CENTURY (A). Pross. 2.00. # 10, 6.25.
8.35.
3: KENTUCKY FRIED MOVIE X.
Pross. 2 05, 4.20. 6.30, 8.45
G. ROMED BAFKT, SICHARD SECKINGALE
PORRIOGE (A). TO RUSSIA WITH
ELTON (U). Progs. 12.50, 3.20, 5.55.
8.30 CLASSIC: Lettester Square. 930 5015. Alex Geinness. Mark Hamill 5TAR WARS (U). Props. 12.30, 3.00, 5.30, 8.00. Reduced prices for children.

CURZON, Curzon Street, WI, 499 3737.
Faity Air Conditioned
The Europeans
Picts, 200 incl. 510, 400, 520, 840,
"A5 rear beforeon is one could wish
a tear of a film." Alexander Walker.
Evening Standard Exciling Standard
LEICESTER SO THEATRE 01-950 5252
BUTCH AND SUMDANCE—THE SAELY
DAYS ALL SER, peris, who 7.45, 5.00
B15. Sosts bable for 8.15 props. Mor-Fri and all props Sar and Sunbiblis in advance at Box Derice or by 2005
DORION MARKEL ARCH, W7, 772 2011MEDORRANGE (AL Sen bert, Wick door
open 1.00 4.07 7.45, Evening peri and
wasturnes biblis in selected.

PRINCE CHARLES Leit, 50, 4.37 8181

Sen, Peris, Div. inc. 5an.) 12.30. 45
Sen, Peris, Div. inc. 5an.) 12.30. 45
Ses, Peris, Div. inc. 5an.) 12.30. 45
Sests Soukarie, Licensed Bur.
SCENE 2. 141. 489 Seats Scotable. Licenses par SEENE Z. Laic. So. Relandon St., 239 4470. A Med Brooks Double Treet. FULFIC FRANKERISTEIN (Act.), 140. 5.20. 8.55. SULENT MOVIES 1, 5.35. 7.15. Log Stop Fr., 346 Et 10 35.

ot London). 4.20 Play l. 4.45 Jigsaw. 5.10 Big Little John. 5.35 The 5.55 Nationwide (London and South-East only i. F.T. CROSSWORD PUZZLE No. 4.040

BBC 1

and Elizabeth Taylor.

tinued). 11.10 World of Panorama. 12.00 Weather/Regional News.

Weather for Scotland.
Wales—1.391.45 pm Pili Pala.
5.55-6.20 Wales Today. 6.50-7.15
Temorrow's World. 11.10 Eisteddfod 79, 11.50 News and Weather

Northern Ireland News, 5.55-6.20 Scene Around Six. 12.00 News and Weather for Northern

6.40-7.55 am Open University.
9.40 Roobarb. 9.45 Jubilee
Jackanory. ÷10.00 Felix the Cat.
10.10 Why Don't You...... 10.35
Alarm on the Danube Delta (film from Powerful U.55 Critical Inc. Scotland. 12.00 News and Inc. Scotland. 12.00 News. from Romania). 11.25 Cricket: 2nd Test: England v India. 1.30 pm Trumpton. 1.45 News. 2.05

† Indicates programme in black and white

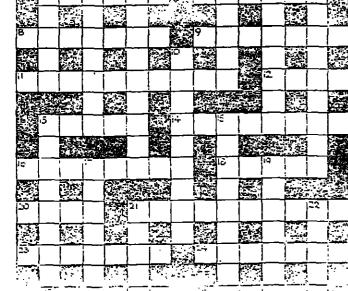
Cricket: Second Test. 4.18 Regional News for England

9.25 "Raintree County" (con-

for Wales. Northern Ireland—4.18-4.20 pm

England—5.55-6.20 pm Look East (Norwich): Look North

Ireland.



ACROSS 1 Something very slight to 1 Grieve for a Scotsman about 4 Sounds a real worker, but he takes French leave (6) 8 Hurries behind a woman's

skiris (7) 9 The tenant about one lives on invested capital (7)

11 (live a first about the same cow (10)

12 Shelter one half-famished (4)

13 Fanatic returns to Gibraltar 14 Novel set round the girl friend's place (4, 4)

18 Dance for a bachelor with 15 Weighs little, but it gives Paradise Regained (4) 21 Casts doubt on the truth of the account (6, 4)

23 " Come. my --let's go a-Maying (Herrick) 24 Go. angel, in eternal change

26 Expresses conditions in with names of winners next
America (6)

prize puzzle will be published
with names of winners next

DOWN the city (5) 2 It may get you a catch, but it is clearly a poor return

3 " Now is content " (Richard III) (3, 6) 5 It's ruff about mother (5) Can you make a mechanic of Sinatra? (7) Sinatra? (7)
7 Dates here perhaps between
Africa and Arabia (3, 3, 3)
10 Stamps of authenticity given

by an evangelist in rooms 16 Know the tune for a climber 13 Fiery accompaniment prophesised for unbelievers (9) the signal (4, 5) river appearing in 17 Bathe up in the hills and see the boat-races (7) 19 The sailor is a friend to

> come. 21 Heather, love, that's jargon 22 Connections, of course, for The solution of last Saturday's

many (7)

(Leeds, Manchester, Newcastle); 6.50 Ask the Family. 7.15 Explorers of the Deep. Midlands Today (Birmingham); poetry and prose.
8.05 "Raintree County," star-Points West (Bristol); South ring Montgomery Clift Today (Southampton); Spotlight except at the following times:— South-West (Plymouth).

BBC 2

6.40-7.55 am Open University. 11.00 Play School (as BBC-1

4.20 pm). 4.30 pm Cricket: Second Test—

10.15 Best of Brass.

11.15 Cricket: Second Test high-11.45 Closedown reading.

BBC-2 Wales only—2.30-4.30

pm Eisteddfod 79 live from the
Field.

LONDON 9.30 am Beyond The Moon? 10.00 Open Air. 10.30 Cartoon Time. 10.40 The Coral World. 11.30 Caring for History, 12.00 Jamie and the Magic Torch. pm Once Upon A Time. Emmerdale Farm. 1.00 12.30 Emmerdale Farm. News plus FT index, 1.20 Thames News, 1.20 All About Toddlers. 2.00 Rumpole of the Bailey, 3.00 Monday Malinee: "The Day The Earth Moved." 4.20 Clapperboard.

4.45 Why Can't I Go Home? 5.15 iurvival.
5.45 News.
6.90 Thames News.
6.05 Thames Report: The
London Olympics.

6.35 Crossroads. 7.00 On Boy! 7.30 Coronation Street 8.00 Spooner's Patch. 8.30 World In Action. 9.00 Best Seilers.

10.60 News. 10.30 Best Sellers (continued). 11.15 The Sweezey. 12.15 am Cicse: Sydney Tafler BBC Radio London: 1453kHz, 206m & 94.9vtd Radio Wavelengths

3 1215kHz/247m & 90-32.5vhf storeo

(S) Stereophonic broadcast

\$ Medium wave

\$ 500 am \$\text{A} \text{Rodium wave} 2 \text{ 5.00 Andv} \text{Peeclies.} \text{ 9.00 Smon Bates.} \text{ 11.00 Padio 1 Resignew.} \text{ 12.30 pm News-bect 12.45 Peter Powsii.} \text{ 2.00 Tony Bicchburn 4.31 Kid Jensen 7.00 Staynh' Alvo. 8.00 Mike Read. \$ 50 Newsbeat. 10.00 John Peet (S). 12.00-500 am \$\text{A} \text{Radio 2.} \text{ PADIO 2} \text{ 2.00 PADIO

Newboat, 10,00 John Feel (S), 12,00-500 am Ac Radio 2.

RADIO 2
5.00 am News Summary, 5.03 Tony Brandon (S), 7.32 Terry Wogan (S), 10,03 Jimmy Young (S-, 12,15 pm Waggoner's White, 12,30 Pete Murrey's Oson Heure (S), 2.18 David homiton (S), 4.18 Much More Music (S), 5.00 News, 5.05 Waggoner's Walt, 5.20 Jann Dunn (S), 6.95 Sports Deck, 7.33 Alen Dell with 7: 7.02 More tree Moves (S), 7.34 Sports Deck, 7.33 Alen Dell with 7: The Dance Bond Divis and 8.32 The Bance Bond Divis and Bance William William Midnight, including 12.00 News, 2.02-5.00 am You and the Night and the Music with Patrick Lunt (S). records (5). 9 55 Sports Desk 10.02 Perny you Should Ask, 10.30 Store University.

RADIO 4
5.00 am Hew Briefing, 6.10 Faiming Show (5). 9.00 Milks Smith (5).

RADIO 3
8.55 am Yearther 7.00 News. 7.05
0verture, part 1 (5). 8.00 News.

RADIO 3

8.05 Overture part 2 (3). 900 News. 905 This Woek's Composer. Schutz (5). 10.00 String Quartets and Pisno Music (5). 11.25 Cricket, Second Test —Evilong v India, including 1.35 pm Naws. 1.40 Your Letters Analysis 4.200 Linching 5.00 pm. 1.40 Your Letters Analysis 2.00 Linching 5.00 pm. 1.40 Prof. 1.40 Prof.

Week with Richard Baker. 10.00 Naws. 10.05 Wildilla. 10.30 Daily Service. 10.45 Morning Story. 11.00 Just Plane Choos: Investigation into air traffic control. 11.45 Listen with Mother. 12.00 News. 12.02 pm You and Yours. 12.27 Brain of Britain 1979 (5) 12.55 Weather: orogramme news. 1.00 The World at One. 1.40 The Archors. 1.55 Shipping Forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.05 Altermoon Theatro. 4.36 Story Time. 5.00 PM News Macazine. 5.50 Shipping forecast. 2.00 News. 6.30 I'm Sarry I haven't a Clue (5). 7.00 News. 7.05 The Archard. 7.20 Fram Our Own Correspondent 7.45 The Monday Play (S). 9.15 Many Happy Saturne. 9.30 Naledoscope. 9.59 Weather 10.00 The World Tonight. 10.37 The Challion Interview. 11.00 A Book at Bedfirme. 11.15 The Financial World Tonight. 11.30 Unignosticibies. 12.00 News. 8.30 Hour. 9.03 Ionion Live. 12.03 pm Call in. 2.03 2°6 Showcase. 4.03 Hour. 9.03 Rack Londoners. 8.00 Sreet through 10.03 Late Night London. 17.04 As Radio 2 Londoners. 8.00 Sreet through 10.03 Late Night London.

CRITERION, From 8.30 am Incl. Sen.
930 3216. CC bookings 836 1071.
Mon., Thur. 8. Fri. 6. Set. 5. 8.30.
IAN MCKELLAN, TO S.30 861.
IDOUST THAT THERE ARE TWO
FINER PERFORMANCES IN LONDON.

THEATRES

OPERA & BALLET COLISEUM. Credit Cards. 01-240 5258.

Reservations 01-836 3161.

FINE CALISH NATIONAL OPERA

Tonight 7.30 The Rhinesaid. Tomor 3.30
The Valkyrie. Thur 5.30 Signified. Sat.
4.30 Twilight of the Gods.
104 Balcony Seats evallable from 10 amond any of performance.

DRURY LANE. CC. 01-836 5108.

DRURY LANE. CC. 01-836 5108.

DRURY LANE. CC. 01-836 5108. DRURY LANE. CC. 01-836 5108.
Opens September ZSLB. Previews from
September Z7:
CARGI CHANNING in
HELIO DOLLY:
with Edole Bracken
Sox Office now open. on day of performence.

COVENT GARDEN. CC. 01-240 1055. Gardencharge Credit Cards 01-338 5803; THE NATIONAL BALLET OF CANADA Ton't 7-30; Swan Lake Royal Gals Performence is the presence of Her Royal Highness, The Princes, should be seated by 7-20. Tomor and Sat 7-30; BayaderkalMad Shadows-Kettentane Wed, Thurs 7-30 and Thurs 2-00; La fille mail garden (half price children Thurs mat only); Fri 7-30 and Sat 2-00; Swan Lake Seets, avail for both mats.

GLYMDEBOURNE. 0723 81241-813424.
Seld Out—possible returns only. Torisht at S.10: Cost fan tutte. Torner at S.20:.
La Fedelia premieta with London Philharmonic Orchestra. Last 2 Peris,
TRAINS have been eractic and parrens are advised that performances will start punctuelly and will not necessarily be delayed if trains are late. GARRICK, CC, 01-836 4501, Evgs. 8.00, (sharp), Wed, 3.00, 5at, 5.30, and 8.30 GARTH h.vd. in IR. LEVIN S DEATH TRAP TRAP SEST THEILER, Div. Teleoraph Very INGENIOUS, VERY FUNNY VERY EXCITING, VERY FUNNY VERY EXCITING, THEIR S.

detayed H Grains are late.

ROYAL FESTIVAL HALL. 01-928 5197.

FORIGHT 7-30. Tomorrow 3.00 and 7-30.

GALA BALLET SEASON

Maina Giegiud, Yoko Morishita, Galina
Samsova, Martine Van Hamel, Jonathian
Kelly, Kelvin McKentze, Peter Schaufuss,
Tatsutaro Shimizu. Gaia Ballet Orosi:
3nd Corps de ballet. Act 2. Swen Lake,
Act 3. Siesping Beauty and a solection
of popular divertisements. Final Peril

ROYAL FESTIVAL HALL. 01-928 3181.

Until Aug. 29, Ev. 7.30. Sat. Mat. 3.

LONDON FESTIVAL BALLET

Until Sat: COPPELIA tonight Terabust,
Bart. Hayworth. Aug. 13 to 18: ROSALINDA. Aug. 22 to 29: LA SYLPHIDE.
SADLERS WELLS TREAFEE. Sossbero

ARKET. CC. 01-930 90
Evenings 8.00. Wed. 2-30,
Sat. 4.30 and 8.00
KEITH SUSAN
ICHELL HAMPSHRE KEITH SUSAN SUSAN MICHELL HAMPSHRE
THE SHER OCK HOLVES MYSTERY
THE CRUCIFE OF BLOOD
This land of spectacle I camer recall
since bowhood . terrific gam." News.

KINGS HEAD

Dinner at 7.30. Show at 6.30

Dinner at 7.30. Show at 6.30

SITS OF LENNY BRUCE

"Sher brilliance" Time Out. "An evening of such reverberative elchnoss,
lauphter and delshel" (din. "Witty, arnvocative show" E. Std. "A funnior
evening than I could ever imagine gamel
ing with Lenny Bruce himself" Whats On.

Duly Mail.

NATIONAL THEATRE 'S' CC 928 2252

OLIVIER Jones stace! Ton't and tomor
7.30 AS YOU LIKE IT by Stakespoore.
L'ITLETON proceedium stace! Ton't
Controlled to the state of the state
Cree, Tarrior To Responsible to the state
Controlled to the state
Controlled to the state
The State of the state
Controlled to t

by Tion Rice and Andrew Llave webber
Directed by Harold Prince
P. INCE OF WALES. CC. 01-730 8681.
Care bordings 530 0346. Mob. Thurs.
8.00 Fri. and 4ts. 6.00 and 8.62.
Michael Depison. Dukice Gray
ALAN AYCK BOURN'S SENSIN-Int comede
"SEDROOM FARCE." D. Exp.
A National Theatre Production.
A National Theatre Production.
Over 500 Ferformances.
QUEEN'S THEATRE. 'S CC. 01-734 1166
Evez 3.00. Sail. S.DO and 6.15. Wed.
GEMMA PATPICIA
JONES IN
CHAMA PATPICIA
JONES IN
AND A NIGHTINGALE SANG.
A new connect by C. P. TAYLOR
WARM AND AFFECTIONATE. The
FUNNY AND TOUCKING. D. MAIL.
SUPERS. D. ESS.

مكنامنالثمل

London Broadcasting 5.00 am Morning Music, 6.00 The
AM Show, 10.00 Open Ling, 1.00-8 00
pm LBC Reports with George Gale at
3.70, 8.00 After Fight. 9.00 Nighting.
12.00 LBC Reports. 1.00 am Night
Extra 4.00 Monty at Large.
Capital Radio Glyndebourne

La fedeltà premiata

by MAX LOPPERT

Nicholas Braithwaite has feelings Undeniably, it merits taken over as conductor for the those adjectives, and those who

last four performances of the have previously encountered Hadyn production at Haydn operas only in less deft new Hadyn production at Haydn operas only in less deft Glyndebourne. He is already a stagings owe the producer a seasoned opera conductor in his own right, and at the second of pings of house party fancy dress those four performances. last in which the opera has been Friday, the task of inheriting an already routined reading was made to seem far-less-thankless ness of the basic material, a than it often can. Musical standards were very high—the tone of the London Phil. Perhans the transitions were less tone of the London Phil- Perhaps the trappings were less harmonic Orchestra was extravagantly displayed earlier buoyant, colourful, and well in the season, on Friday, the placed under the voices, tone of much of the comic play-support for the singers was ing was pitched rather high, and mostly steady, the pacing was at least two of the cast—Sylvia brisk. Even, once or twice, a Lindenstrand (Amaranta) and little too brisk the movement Thomas Allen (Perruchetto), from the Symphoy No. 63 that both of them singing actors serves (properly) as overture normally to be relied upon for and (improperly) as ballet performances of discipline as music in the second act whized well as of strong character—had along—the larking about on gone way over the top One fell stage may have encouraged Mr. gratefully on Julia Hamari's Braithwaile to drive the music beautifully poised portrait of hard the second time around. Celia, her lambent yet agile line, but what was the excuse the the richly emotional quality of her timbre; for there was a About John Cox's production, glimpse therein of the more a polished, decorative entertain- serious comedy of feelings ment that has been grafted on somewhat obscured in Mr. Cox's to Haydn's opera, I have mixed elegant charade.

this work is more novel than

Woodward made a series of

Albert Hali/Radio 3

Roger Woodward

by RONALD CRICHTON

Saturday's prom, with the exploitation of percussive Royal Philharmonic Orchestra effects, Liszt's plane writing in Lawrence Foster, brought Roger Woodward as soluist in Schoenberg's more fraditional two works for plano and style—which of course does not orchestra. Schoenberg's Conmake the Totentons in any certo is not an obvious commission to sense more modern. panion for Liszt's Totentanz, and than the Concerto. But neither work is strictly speak there were course and clumsy ing popular, yet the half was pages, like the chil of the nearly full. Of the Schoenberg cadenza, while in general Mr. the artists gave a performance both illuminating and enjoyable furious rushes at the music like in a way not to be taken for a dog attacking an intruder. granted with that master's Liszt needs a sense of gradual larger, mature scores. Lyrical unfolding as much as Schoen-and dramatic expression (there berg, and needs it even when is pleaty of both) were para- his feling for Italian cantilena mount, lines were strong and is as much work only began to seem

Liszt's extended, gleefully the work only began to seem sulphurous "Danse marabre" wholly familiar in the finale came off less well. Mr. Wood- For perfection the speeds of ward produced quantities of big minus and trio might have been but not clattery tone. He made striking effects like the pro- lazy), but such things as the longed sustaining of the place flutes ghostly doubling of the chord after the orchestra breaks violins in the slow introduction off at the end of variation 3, do not often tell so clearly in He made it clear that in the this hall:

Wigmore Hall

Moore's Young Almanac

the unashamed accompanist to musicals or cabaret. No harm whom we owe more than that at all in reminding audiences description implies, who now how good (and rare) good light pretends to be 80 years old. The Almanac was the Songmakers', the group of young singers still don't quite bring it off, founded by the planist Graham doing the light numbers at Johnson, who is set fair to become an accompanist of com- enough. A sort of prissiness parable distinction to Moore creeps in. The concert last week was For the a birthday tribute, with the guest of honour in attendance

and every seat sold. The programme, devised by Mr. Johnson with typical in-genuity, ranged over Gerald Moore's life, extra-favourite composers and as he calls the cream of the cream of great singers with whom he has worked his "beloveds." There were recordings from the past, with John Coates, Gerhardt and Flora Nielsen, recorded messages from the present from Schwarzkopf, Baker and Fischer-Dieskau. Composers glimpsed, sometimes: briefly: were Schubert Schumann Brahms Wolf shared Timing was faultless: and Strauss, who was given the the switches from song to last word. There were many speech to tapes and back again dark era of the recent past. Her nervous anticipation of the attendant searching for the lost as a final tribute to the author Millan's Concerto.

others, some of them in went with perfect smoothness. The Stud Parm by Andras visit makes the preparations garment through the demi- of The Tot Family and Cat's Playground, wi expected. The Songmakers like

The Young Moore was Gerald, to work in songs from revues, music is. But the mixture doesn't work easily and they once too well and not quite well the jails look almost more invit-

more contrasted the trio more

For the nature of occasion, the amount of punningand oh so harmless, everlastingly awful, English whimsy might be forgiven. With it, and fortunately not drowned in it, was some excellent musicmaking by Felicity Lott, Anthony Rolfe Johnson and Richard Jackson, Ann Murray was announced but unable to appear, Graham Johnson not only played (giving a memorable reading of the fearsome plano part of Schubert's "Aufder Bruck?) but compered. Readings, from Mr. Moore's books and other sources, were



Scene from 'It's Rain and Shine Together

Budanest

Domestic films and playwrights

by FRANK LIPSIUS

ments with equal distaste. The

food and his hostess's blandish-

ment with equal distaste. The

physical labours of the country

family seem so much more tax-

to be appreciative that the film

ends up with a subtlety almost

wholly out of keeping with its

subject matter. The family has

the normal expectactions of

omnipotence from a powerful

man, while he turns out to be

among the new breed of weary

bureaucrat, recognizable world-

wide but rarely as well pre-

sketchy plot to amateur actors, who then ad lib most of the dia-

logue. The black-and-white film

blames Hungarians' domestic

problems on their inadequately

met housing needs, using the ex-

ample of a couple's sharing

their one-room flat with their

daughter while their son is in

the army. The head of this

cramped household has no sym-

pathy for his daughter-in-law.

blaming her for a multitude of

sins of omission and commis-

bridles at his criticisms and pre-

rogatives as head of the house.

The film has little action, apart

from one awkward but jolting

Beautifully composed, arty

Not surprisingly, she

Bela Tarr convincingly

and grand-

sented as this.

daushter-in-law

the camera.

theatre. But when they talk about films, they mean American films. They joke about how The men's unwillingness to colittle they go to the films of operate with the inept Party their own country. Last year, on a brief trip to Eudapest, my appears perfectly reasonable, hoped. But to compensate, there especially when the manager's is the detailed portrait of an especially when the manager's is the detailed portrait of an ill, overworked, unhappy governith or an ill, overworked, unhappy governithe ill, overworked, unhappy governithe ill, overworked, unhappy governith or an ill, overworked, unhappy governithe ill, overwo early evening showing of The reflect his own ignorance of popular Hungarian povel. The ger's older brother, a more two of us were half the audience important politician who runs in a rather large cinema in the centre of Budapest. The Ameri- when he is sent to pick out an cans nominated it this year for agricultural expert from a an Oscar as best foreign film, prison labour camp. His warnbut I doubt that any more Hungarians went to see it. Recently, though, Hungarians

film, Peter Bacso's The Witness. which was bound to attract attention, as it had never been shown since completion in 1968. Even now, it had only a oneeek engagement in Budapest. a strategy that made it all the more attractive. Everyone was talking about it. and not just because they wanted to see it. A vociferous minority objected to its making fun of the Stalinist days of the early '50s in Hungary, a legitimate complaint considering the horror of the time and the hero's ability to

get away with so much.

He may get put in jail, as happens more than once, but ing than the new Budapest Hilton. The hero's offences are either more serious than the film allows, as his hoarding food in his cellar, or ludicrous, as his forcing a guard to open a public swimming bath to a crowd of waiting children while a government official is inside swimming alone, surrounded by armed Other peccadilloes along the way include his dog's urinating on a sign lauding the Socialist revolution and men-" Hungarien the oranges," when the government planted lemons to see whether they could prosper in this in-(They couldn't.)

Other films, while not 30 her children a better job of exploring that RONALD CRICHTON Kovecs concerns a persecuted hectic carefully observed to the

theatre, they discuss Hungarian previous regime who were used as horse trainers while their families got dispersed into unknown parts of Hungary. Hungarians, a film based on a Party machinations. The manaa co-operative form, has a glimpse of what is going on ings to his brother go unheeded -or, rather, uncomprehended.

The film, meant to be shown were queuing up for a domestic at the Berlin Film Festival. was victim of the controvery over The Deer Hunter, and the Hungarians withdrew it before it could be shown. It has not had the exposure of a lauded, but less subtle. Hungarian film, Angi which among venues appeared in Edinburgh. Where Angi Vera shows how a naive and well-meaning orphan could have been seduced into Party service and acceptance of its hypocritical pieties, The Stud Farm puts the manipulation at one removed from the principals of the story, thus recreating numerous layers of deception, insecurity and fear.

Among films with a contemporary setting. It's Rain and Shire Together appears at first to be just a lighthearted look at Hungarian national holiday, especially in comparison to Family Next, which sounds an alarm about present housing shortages in Hungary. To start with Lajos Koltai has photographed the country setting of the festivities with a flair for colour and some arty close-ups that are not at all out of place. government minister, and his family to her parents' home for the holiday, all the preparations have to be done with extra care. The three generations living in the house are mobihospitable climate of Hungary. lised by Jolan's sister-in-law, who invents lofty ambitions for Other films, while not so her children because she popular in Hungary are doing assumes the visiting official can do everything to help them.

When Hungarians discuss the minority-the officers of the point where my wife got a action takes place in an underground whore-house, where the strudel receipe out of the film. The cleaning, cooking and depravity matches the outside other domestic chores that com- world of bombed out sites. prise the bulk of the film do not police brutality and casual murstay interesting quite as long as der. Moulding such a subject to the director and co-writer Sandor's sensibility seems an their own country. Last year, on man sent to manage the farm Ferenc Andras would have unnecessarily taxing assignment, a brief trip to Eugenest my appears perfectly reasonable, hoped. But to compensate, there but he manages it with characteristic style. With the season over, con-

versation about Hungarian theatre turned to Hungarians' contribution to playwrights world-wide. One of the major developments at the Congress ing than the minister's efforts of the International Theatre Institute, held in Sofia, Bulgaria, ference in Budapest last December. The Congress resolved to set up playwrights' centres in each national institute, while Budapest would become an international centre where a bank of plays would be gathered and then distributed to all members. Each year, the national Family Nest uses the familiar centres will send two plays in French or English to Budapest. and the Hungarian centre will

have them copied and sent out. In addition, the playwrights' centres will begin to collect information about contracts and playwrights' protection in all countries, with the hope of colthe material and strengthening the bargaining position of playwrights in their own countries. The published report of the playwrights' conference reveals a fascinating range of concerns, from the inadequacy of Africans' using language adopted from their former colonial masters to French directors' preference for dead authors who can no longer object to the manipulations of their texts.

In recognition of the Huntence of artiness, just letting the garians' contribution to this articulate family members fight undertaking, Istvan Orkeny was out their differences in front of nominated as an officer of the playwrights' group. His death films are the trademark of Pal Sandor, whose latest. Deliver Us one week later was mourned not only in Hungary, but also among From Eril, goes back to preall writers who admired the war Hungary. Based on an un- range of styles in which he exsuccessful play, the film overpressed his deep humanism, comes a rather silly plot about turning local subjects into plays a stolen coat to focus on the of international stature. It was understood that he was naked barbarity of the time. One of Hungary's great acresses, delighted with the nomination, Iren Psota, plays a cloakroom which in the end served at least

Verdi's town

by WILLIAM WEAVER

grapher of Verdi. Oreste Boni. vhose Giuseppe Verdi was published in Parma in the year of the composer's death, wrote: . it is not permissible to

cast doubt on Verdi's love and attachment for the land of his birth . . . Whoever does so would offend not Verdi, but Busseto . . . Like all truly great men, Verdi was also truly good and most sensitive to all affec-tions. Among these, that for his homeland was no less alive or warm in him than in others."

Actually. Boni admits—as later biographers have confirmed—that at times there was some dissension between Verdi and the town of Busseto; but the fact remains that Verdi chose to live there and, though he someimes threatened to move away. he never did: Busseto was remembered in his will. Whatever Versi may have felt

about the town, it is obvious that the town is obsessed with Verdi. His picture, his name, his imprint are everywhere; in a leading salami-and-ham shop (which Verdi himself patronised) Verdi autographs are proudly displayed. But this worship is not merely passive: the local library (under the intelligent and vigorous guidance of Corrado Mingardi) has encouraged Verdi publications, the town sponsors an annual "Verdi " competition, and Bus-"Amici di Verdi" this year welcomed Verdians from all over Italy to celebate the restoration of the Salone Barezzi the drawing-room of Antonio Barezzi, Verdi's local patron. father-in-law. and friend. Barezzi, as every student of

Verdi knows, was a gifted amateur musician (he played the flute, the clarinet, the ophicleide, and the doublebass); he was also the chief animator of musical life in Busseto, an organiser of the Società filarmonica, an amateur orchestra and chorus. drawing-room , served

rehearsals and, on occasion, for concerts. It was in this room that the young Verdi gave plano lessons to Margherita Barezzi. his future wife; and in this room Verdi performed-con-ducting the Filarmonici-some of his first compositions.

After Barezzi's death, his property was scattered. The house itself, facing the main square of the town, was for uninhabited. years Finally the property was bought by the Banca Nazionale dell' Agricoltura, which turned the Verdi. The Amici collected funds (including some contri-butions from America) and patiently set about restoring the room to its early 19th century appearance: the proper wall- Marchesi's book not only paper was found (in France), offers new light on Verdi's of Busseto contributed the affecting pencil-portrait of

An early, little-known bio- back, along with letters and other documents.

At a simple ceremony in the presence of many distinguished Verdians (including Renata Tebaldi), the Salone Barezzi ? was recently reopened. In the tradition of generous Barezzi - and Busseto - hospitality. there was a sumptuous "snack" Parma ham, parmesan cheese, home-made sweets, and ample heady local white wine.

Replete, the Verdians then moved across the square to the Teatro Verdi for an all-Verdi concert. Apart from the string quartet (played by the Quartetto della Scala), most of the pieces were unfamiliar, or at least rarely performed. The young Coro "Città di Parma." trained and directed by Antonio Burzoni, sang—with rare grace—the Ave Maria on an enig-matic scale and the Laudi alla Vergine Maria of 1884. Various singers—largely students from the Parma Conservatory—sang Verdi songs, including the haunting, brief "Pieta Signor" of 1894, one of Verdi's few occasional pieces.

To conclude the evening, the flautist Severino Gazzelloni performed some paraphrases of Verdi arias arranged for Barezzi family, the composer's heirs, supplied Gazzelloni with the music, which included a plece based on tunes from Macbeth, the opera Verdi dedicated to his father-in-law). At one point Barezzi's own flute was displayed-brought to him from Paris by Verdi-and Gazzelloni tooted a note on it, all the illustrious instrument is capable of now, after more than a century of silence.

For theoccasion, the Busseto Library also sponsored the publication of an important volume: Verdi. Merli e Cuch by Gustavo and often amusing collection of documents (many discovered by Gaspare Nello Vetro of Parma) concerning Verdi's early years in Busseto, from 1819 to 1839, when Verdi left for Milan and

Marchesi, the author of valuable biography of Verdi. presents the documents with acumen. sensitivity. humour, informed by his extensive local knowledge. The Merli (blackbirds) and the Cucu (cuckons) were the two rival musical factions, as portrayed in a satirical poem by a Busseto priest, an anti-Verdian, in the mid-1830s, when Verdi was being proposed for the position Salone over to the Amici di of local organist and music master. Barezzi was the Chief Merlo in the poem: Verdi himself appears as the Parrot "dalle rerdi oiume " (with green feathers).

the original sofas were donated adolescence, but also supplies an by surviving members of the engaging picture of life in Buscentury. Appropriately, the publication was underwritten by the Verdi, drawn-probably on the Monte di Credito su pegno of occasion of Verdi's wedding to Busseto, the same organisation whose grant, in 1832, helped Barezzi's brother Stefano. Barezzi support Verdi during his Barezzi's piano was brought studies in Milan.

Sadler's Wells Ballet premieres

Antonia

Two London premieres, the dramatic work to an orchestal first London performance by Sadler's Wells Royal Ballet of Elite Syncopations and a birth- Street Party is David Bintley's Sir Frederick Ashton are high- exploits at a street party to lights of the company's season at Sadler's Wells Theatre from Diamond Jubilee.
September 5 to 22.
The first Londo

Margherita — by

Barezzi's brother

transfer direct from the Edinburgh International Festival. are Kenneth MacMillan's Plan-Punch and the Street Party which opens the season on September 5 in a programme which includes Kenneth Mac-

Sonnabend, is a September 14.

piece by Gordon Crosse called "Play Ground." Punch and the day perforfmance in honour of comedy ballet about Punch's celebrate Queen The first London performance

The two new ballets, which by Sadler's Wells Royal Ballet of Kenneth MacMillan's Elite Syncopations is given on Tuesday September 11 in a programme which includes Len Rendezvous and Brouillards. In honour of Sir Frederick

Ashton's 75th birthday there will be a special performance of his ballets Les Rendezrous Playground, with designs by and The Two Pigeons on Friday

CRICKET TREVOR BAILEY

Botham looks set for greatness

AFTER THE dismissal of a but it should be remembered. His most searching examinalimited, and demoralised india that this is a Test. the sagainst Australia thirsting for under 100, with Botham. In international cricket, the against Australia thirsting for taking five wickets, England first aim is to win and the revenge and strengthened by batted themselves into a vir- second to avoid defeat. Once their Packer contingent and tually invulnerable position. At entertainment is considered next summer against the West stumps on Saturday, they were more important than these two Indies.

261 runs ahead with three objectives, cricket becomes a Both prevented by the weather, contest, and the long-term bowler. His most dangerous should inflict their second interest will inevitably die. ball is the outswinger although imings defeat well within the innings defeat, well within the

sensibly, Botham, boisterously and, to a lesser degree, Edmonds, delighted the crowd in their different ways, but the spectators were less happy in the final session as Miller and Taylor added runs against a four-man attack which had long since lost its teeth.

Relentless -

The odds are that Ian Botham will capture his 100th Test Gower, gloriously. Randall, wicket today and, by the end of this series, he should also have completed the speedlest "double," as he now requires only another 140 to reach 1,000 runs.

When it is remembered that sensational.

He is already a world-class cricketer, whom I think will They wanted to see a period cricketer, whom I think will of spectacular batting followed become the finest genuine all-by the England bowlers trying rounder England has produced by the England bowlers trying rounder England has produced to pick up two or three victims, since the First World War. Although Botham has played

possibly taking the one wicket in 19 Tests, it is not possible blossom into a mighty interEngland will then need succession, Inishanier taking the one wicket in 19 Tests, it is not possible blossom into a mighty interEngland will then need succession, Inishanier taking he needs to science a hundred to assess whether he is a great national batsman, rather than cricketers with big hearts as ninth and the bigger Golden possibly taking the one wicket in 19 Tests, it is not possible provided more excitement for not yet encountered any opposition of the placed Hong Kong from the top experienced in the Sort had been solved and it seemed to the Breatley's relembles approach, or bowling.

Saturday relembles approach, or bowling. all-rounder or merely an out-

Botham is a fast medium has a useful, sometimes overused bouncer, an improving slewer ball and he uses the crease in his constant search for variety.

Although with some justification, he has been called a lucky bowler, he also makes his his first international was own luck. He attacks, keeps against Australia, at Trent the ball up to the bat and Bridge, in 1977, his impact can experiments. Luck alone could be said to have been not bring 100 wickets in 19

Complete

Many good judges, including

His most searching examina- the ability to destroy a class tions will come this winter attack by the power and con-against Australia, thirsting for siderable range of his strokes. As a fielder, Botham is every captain's dream, because he is the complete all-round fieldsman. He is superior to most specialists, whether it be in the slips, as a suicidal bat and pad man, out in the deep, or as a

Botham's qualities do not end with his talent in these departments. He also has two other vital assets. First, there is his exceptional stamina and sheer physical strength, which enable

have around in a tough situa- low-rating yachts and a medium

I have a hunch there will be Brian Close, believe that plenty of flak, action and Holland-designed Regardless Botham will, with maturity, acrimony in the next two series, winning her second race in biossom into a mighty inter- England will then need succession, Inishanier taking efficient with greater flexinational batsman, rather than cricketers with big hearts as ninth and the bigger Golden bility," he said as he stood his present Test role, as a well as ability and Ian Botham; Apple performing well to finish forlornly holding the broken speciagular, somewhat unpre- unquestionable will be in the interest of the said as the stood forlornly holding the broken

YACHTING BY SAM VITE

monde of Budapest. Much of the Play.

Britain's cup chances vanish

but Britain's that is.

though the battle will be betdeen Ireland, Australia, the U.S. and Hong Kong.

spells and to bludgeon a six into pened that the double points had suffered broken rudders the crowd from a mis-hit. value Channel Race which made with carbon fibre in the Second, he is a natural com- finished on Saturday evening Southern Ocean Racing Conferpetitor who revels in a fight; favoured the smallest boats in ence races off Florida earlier indeed, he is just the person to the fleet. And Ireland, with two in the year, yet the ex-Premier one, simply cleaned up. With Ken Roham's 40-foot

By contrast, the fates were be OK. Perhaps we've learned mances have been steady

Admiral's Cup ocean racing British team. The superbly- a rueful smile. series centred on Cowes, it is consistent Eclipse took third still anybody's event; anybody's place in the Channel Race to tion for the third British yacht maintain Jeremy Rogers' repu-After squandering a very tation for total dependability: strong position in the second he now has a sequence of give Britain a flying start, she inshore race last Thursday and eighths, seventh and thirds to surged into the lead on Thurslusing valuable points by the his name, and Eclipse is a close day, only to make a total hash referement of Mornine Cloud second to Regardless in the of it all by sailing the wrong from the Channel Race, Britain's individual boat scores list. But course, chances of taking the chunky all that counted for little Gold Cup for the third time in a against the disastrous form of row are now gone. It looks as the other two British yachts.

Mr. Edward Heath, the team captain, seemed to be unlucky to break the rudder on Morn-Of course, chance plays a ing Cloud in mid-Channel. But him to keep going for long large part in yachting. It hap- wase he? Two American boats was persuaded to fit an American-made rudder of same type to his yacht.

"It represented a saving in weight and was said to be more

AT THE half-wage stage of the playing fast and loose with the our lesson," he added with There can be no rationalisa-Blizzard. After winning the first inshore race on Wednesday to

> That lapse cost Britain about 30 points, so with Blizzard a 53rd on Saturday night-it's only fair to say, along with all the other high raters—Britain's spot in the overall table dropped from a just redeemable fourth to a hopeless ninth.

The Channel Race caused a big shuffle in that table. France's trio of little ones revelled in the light weather going and finished second. seventh and 13th, which was enough to shoot her up the table from 12th to fifth.

But it seems more likely that the cup will go to Ireland for the first time. Inishanier's poor result in the second inshore race because she had to stop and pass a badly injured crewman to a rescue boat, the whole team's perfor-

enough to give them a valuable 16 points lead.

Regardless is obviously the star of the side, and leads the individual boats points table. But Golden Apple is only 24 sixth, a second and a 17th. But then, you would expect that boat to go quickly; as well as skipper Hugh Coveney aboard she has the designer. Ron Holland, the double Olympic Medallist Pattisson and Ireland's best helmsman Harry Cudmore. If that team of talent couldn't do well it would have to be the yacht rather than the yachtsmen to blame.

especially if the wily old campaigner, Syd Fischer can get his latest Ragamuffin to emulate the feat of her 1971 namesake and win the Fasinet Race (which counts treble points). And the Americans are handily-placed plinough the previously-consistent Aires had a poor Channel Race.

The Hong Kong trio were nicely poised to take the cup to Asia for the first time until the Channel Race, when their big boats sagged sadly.

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON ECAP 4BY Telegrams: Finantimo, London PS4. Telex: 886341/2, 883897 Telephone: 01-248 8000

Monday August 6 1979

Spending on education

Government provides and is ability of schools to attract now determined to cut, educa-good science teachers with tion is the one that ought to competitive salaries than on the he treated most leniently, par-ticularly by an administration tories. The fall in Britain's that wants to regenerate Britain birth rate during the 1960s through reliance on individual means that the pressure on effort and ability. Education is school buildings will gradually a genuine public good, which benefits the whole of society and not just the individuals State system who consume it. It is both a right which society grants and an obligation it imposes and thus is not suited to allocation through the market. The nature of the cuts in education spending proposed last week by Mr. Mark Carlisle, the Education Secretary, suggests that the Government is aware of the overwhelming need to maintain improve educational standards.

The cuts proposed have been in the incidental extras which are incorporated in the educational system largely through historical accident—free milk, cheap school meals and transport, subsidies for foreign university students. These will cause some individual hardship. but this, in a society which has opted for private, rather than public consumption, will have to be solved at an individual level through the social security system, rather than through blanket subsidies to millions of families which are not in the least needy.

Unfortunately, the £200m that the Government expects local authorities to be able to save on these non-educational services is likely to prove inadequate once details of the Rate Support Grant and the financing of the Clegy pay awards are announced. Since education accounts for about half of local authority expenditure, further cuts will probably

In education, unlike most tal rather than current expendi- comprehensive basic knowledge of lacking for too long in the science. Even good science British educational system.

Of all the services which the teaching depends more on the

But one current expenditure that the Government might do well to reconsider is the £50m it plans to spend on subsidising bright children who want to go to independent schools. Until the plans emerge in detail in the autumn, it is uncertain how far up the income scale this means-tested subsidy will apply. If it is modelled on the present university grants system, it will help many well-off families, and just the poor, to send their children to independent schools. The money would be better spent on improving the State

Despite the short education Bill rushed through Parliament immediately after the election in order to safeguard the future of the 300 remaining grammar schools, much of Britain is now irrevocably committed to the comprehensive system. So far the comprehensives have not lived up to expectations. But the survival of less than a third of the grammar schools that existed in 1970 cannot ensure that adequate numbers of adequately educated schoolleavers go on to unversities; neither will an increase in assisted places at the independent schools achieve this

Now that a Government committed to the improvement of basic educational and disciplinary standards is in power, the comprehensives must equipped to provide all children with a good education and to prepare the brightest for univerother public services, cuts sity. The experience of other should be concentrated on capiture. Some of the modern secondary education can pro-teaching methods which rely on duce academic excellence if expensive machinery rather able children can go on to than personal contact could be universities. What is important discouraged without harming is the setting of high standards the all-important core curricu- and a determination to monitor lum of English, mathematics performance. This has been

The Assembly in Iran

clarify the usually obscure political situation there. political situation there. Whether by participating in the election or boycotting it, the different political groups have been forced to show where they stand. The election was held to form a 75-man assembly to give the country a new Islamic constitution. In the event the centre parties and several groups on the Left decided not to take part.

No compromise

But the victory for Ayatoliah assured, is not completely It appears that the rather more moderate Moslem People's Republican Party led Ayatollah Shariatmadari, who had quarrelled with Khomeini in the past, has won ennugh seats to provide some apposition to Khomeini's group of clergy. How effective it will be in countering his plan for a constitution that would give almost dictatorial powers to a small group of religious leaders remains to be seen.

Yet, despite reports from Iran of growing disenchantment both with the Islamic austerity which the Iranian revolution has brought and with Ayatollah signs of compromise from the city of Qom, where the Ayatollah and his ruling Revolutionary Council, composed mainly of clergy, preside. On the contrary, aware that the basis of support for him among ordinary Iranians is still intact. Khomeini has allowed his followers in the revolutionary committees to use increasingly rough methods against their political opponents, as the election has shown.

Middle classes

Ayatollah Khomeini appears to be acting mainly out of fear Marxist groups on the Left. These groups, most of whom are ing the revolutionary turmoil lift the stranglehold that earlier this year; since then Islamic revolutionary commit-they have been lurking under- tees hold on individual bustground, their organisation nesses,

IN ONE sense last Friday's reportedly intact, awaiting a elections in Iran have helped suitable moment to strike. The Ayatollah appears less concerned about the centre parties which represent the bulk of the middle class, even though it is this group which probably feels most disillusioned with a revolution which, many of them think, has replaced one form of authoritarianism with another and taken away economic prosperity's well. So far the centre parties have been disunited and disorganised, but they can expect to gain strength if the present disorder and austerity continue. This is a point which Khomeini's Islamic Republican Dr. Shahpour Bakhtiar, the Party, which-with two-thirds moderate Prime Minister who of the votes counted-seems actually engineered the Shah's departure last January, appears to appreciate. He chose last week to emerge from secret exile in France and declare his availability.

Stranglehold

Ayatollah Khomeini and his associates may finally be realising that there is no substitute for effective, pragmatic government. The leadership has so far failed to solve the admittedly tricky problem of the regional separatists, especially the Kurds in the northwest and, even more crucially, the Arabic-speaking population Khomeini's autocratic imposi- of Khuzestan in the south-west, where most of Iran's oil is produced. It has also failed to produce and operate a coherent economic policy that balances the rejection of the Shah's ambitious development strategy against the need to provide employment and improving standards of living for the country's 35m people. The leadership has made its task more difficult by its hosty and ill-thought out policy of nationalisation and by its reckless abandonment of some worthwhile projects—such as badly-needed new roads—along with the more grandiose schemes. True, the Government has of a takeover of power by the lately shown more determination to tackle economic problems and may be helped by its keen to demonstrate their lack partial integration with the of connection with the Soviet revolutionary council. But for Union, showed great organisa- a policy to be effective the tional and military strength dur- Government must at some stage

THE AMERICAN TURNDOWN AND THE WORLD ECONOMY

Burning the house to roast the inflationary pig

ES, THE U.S. is now in Y a recession. It began sometime between New Year's Day and April Fool's

No, our inflation is not under control. The OPEC oil-price increase and short grain crops abroad add to our core rate of inflation. Wage rates geared by contract or by practice to rises in the cost of living become themselves new causes of amplified inflation.

Maybe interest rates are near their peak. But maybe the Federal Reserve, under its new chairman. Mr. Paul Volcker, will act for a few months to twist the screw of tight credit one more turn. The jury is still out on this point.

Certainly, the unemployment rate will rise as 1979 wears on. The trauma of petrol shortage and its consequent long queues of motorists have hurt the demand for large Detroit cars. Lay-offs follow, as night follows

recession. terms of bond prices. Street now debates with itself not to be pitied. It is to be whether to act in the normal fashion.

The dollar, which took a candid prescription. First, to battering in the foreign exchange markets last October. came back briskly after President Carter's November 1 sumption than to reduce conpromise to deliver a recession. U.S. Treasury officials preened themselves over the success of secondary contraction far their intervention. He who boasts about making the morning sun rise takes on the obligation to conjure against its afternoon descent.

W. Michael Blumenthal turns for Schmidt's flirtation with the abacus over to G. William austerity.) Miller, jittery speculators have heen bidding up the price of gold and selling the dollar short. We are exiling ourselves from the promised land into which Milton Friedman had led uswhere floating exchange rates give nations autonomy for domestic macro-economic tives. Messrs. Miller and Volcker are pledging to defend the dollar, whatever the toll of production and jobs. Cynics regard it as fortunate that not all the pledges of public officials are redeemed in a modern populist

of the globe?

Earlier I wrote: "In as much as the principal nations abroad have not enjoyed recoveries at all comparable to that of the United States, I see no good reasons why they should let themselves follow the U.S. down the path into recession."

How naïve I was ! Little did I envisage that when central bankers and government offithey would be saying: "The only way to reduce the demand

1978-80 U.S. FORECAST OF CHASE ECONOMETRICS

							(August	1, 1979) .							
	· 19	79			19	78 <u>0</u>			197	19	~ ~	•	198	80	•
1stQ		3rdQ	4thQ	îstQ	2ndQ	3rdQ	4thQ	PstQ	2ndQ	. 3rdQ	4thQ	1stQ	2ndQ	3rdQ	4thQ
Real GN	P Growt	h+ (ner	cent)				:	Unemplo	yment ra	te (per e	ent)			•	
+1.1	-3.3	. ••	-2.8	-0.9	+2.8	+2.4	+2.8	. 5.7	5.7	6.1	8.6	7.5	7.9	. 7,9	7.9
+1,1	-	-1.5		+1.1	+1.0	+4.6	+43	5.7	5.7	6.0	6.4	8.8	7.0	7.1	7.1
Солѕите	r Price (Growth*	(per cent)				Short-ter	m intere:	it rates (Federal fu	mds)		· -	
11.7	13.8	11.9	8.3	7.8	8.7	8.1	7.3	10.1	10.2	10.5	9.1	7.3	7.0	7.1	7.2
Money S	malv Gr	owth (M	2)* (per 4	cent)				10.1	10.2	10.6	10.0	9.1	. 8.5	8.3	8.4
1.8	8.9	9.0	9.3	8.6	9.0	9.8	9.4	Long-terr	n inter es i	t rates (I	iew AA-ra	ted corp.	utility)		· . ·
Profit Gr	owth du	ring Drev	ious four	quarters*	(per cer	nt)		9.7	9.8	9.6	9.5	9.3	9.2	9.25	9.3
÷33	+14	+9	5	-6	 -3	÷5	+16							-	
									<u>·</u>		;	·			

* Percentages are expressed as annual rates. After mid-1979, data are estimates The table gives data on real GNP growth, unemployment rate, and short-term interest rates, as forecast by Chase Econometrics and by Data Resources Incorporated. In every case, the second row is DRI numbers and the first row Chase numbers,

for energy, the only way to force upon labour the reduction in real wage rates called for by Normally, profits fall in a dear OPEC prices and bleak ecession. And, in its first harvests, is to encourage a phase, equity prices usually also recession to develop. The West in Tokyo. Management of the Hague." Wall growth (and tamed inflation) is

envied - and emulated.

I have two reactions to this roast a pig need one really burn down the house? Is there no other way to reduce oil consumption of all the necessities of life, and to engineer a greater than the primary drop in output directly attributable to reduced energy input? (Besides, real wage rates in Germany don't seem to have been As Secretary of the Treasury curbed significantly by Chancel-

Slowdown

Second, if you are not Germany, it is not all that easy to achieve the German successes: an export surplus, strong exchange rate, placid trade union movement, and calm elec-Germany can do to develop a trade surplus when other countries don't follow her example cannot be achieved by all countries trying to follow

surmises. What about the rest pneumonia." But I would not wish to deny that the major world nations can act in concert to bring themseives all down to America's state of lethargy.

But should they want to do can audiences that the current recession has written on its bottom "made in Washington," I hasten to explain that this is not an accusation of incomnetence or sadism. After four cials got together this summer. years of vigorous expansion our GNP has begun to bump against the coiling of its full employ-

ment potential. I could not so convincingly write the defence for 1979-80 recessions that carry the imprint: "Made in Bonn. Made

Before discussing evidence that bears on the likely depth and duration of the present slow-down. I should survey the variety of scenarios forged by economists from different schools. Many chests present themselves for medals of performance.

Monetarists, observing last winter's absolute decline in the supply of money, generally pre-dicted the recession.

Quasi-Keynesians, the only kind we have these days, for once found cyclical turningpoints in their prediction printouts. Chase Econometrics was rewarded for its pessimism.

The leading indicators worked

this time. They led at the turn. The new American school of "rational expectation." located thinly on a line between the University of Chicago and the Federal Reserve Bank of Minnesota. no longer produces its expected forecasts of any events. This at least is an improvement torate. More important, what upon their indiscretions before the 1974 debacle.

Government economists who sometimes know better than they speak. have for once admitted that the country is in The U.S. history I now recount differs so far little from my beginning-of-1979 written I was right to deny that it is to blame helps the cause of those who advocate candour in U.S. coughs, Europe gets official economic prognostications of the country of the cou

Actually as in the 1973-75

recession, the energy shortage is a substantive cause ensuring that what might have been only a growth recession has become so at this stage of their an outright recession. Higher recoveries? When I tell Ameriprices for petrol and heating prices for petrol and heating fuel act to increase the inflation rate and hence to impel the macro-economic authorities into taking more stringent restrictive measures. Having to spend more abroad on costlier oil imports acts just like higher tax rates to reduce disposable incomes and spending on goods



PAUL VOLCKER ... one more turn of the

We have in the OPEC cartel

reductions in the inflation rate year. elsewhere. I come into court Eithe with clean hands, having earlier told the authorities that the sign of spreading demand-pull inflation called for more tightness

These days you must forecast where the economic predictors cent. will be. Prof. Otto Eckstein of Harvard has sold his Data Resources Incorporated McGraw-Hill for several kings' ransoms. Dr. Michael Evans has sold out his interest in Chase Econometrics and joined the ranks of millionaires.

I present the Chase Econometrics August 1 forecast in the



G. WILLIAM MILLER ... digging in for the dollar

produced by American job- accompanying table. It is a bit holders. This is in addition to more pessimistic than most rhetoric. His elevation of the cuts in spending on cars and made at mid-year. By now the Hamilton Jordan to White vacations occasioned by the pet- crowd will have been infected with the Chase gloom.

For comparison, the chart price rises a micro-economic shows the slightly more san- Carter's sending his wife out event of macro-economic magnitude guine DRI forecast. Whereas on the stump to praise his Chase sees 1980 as a year in strength backfires. I am one who counsels the which the U.S. recession barely Federal Reserve not to try to rises into a growth recession, offset oil-and-food components Dr. Eckstein presents a scenario of inflation by tight money that President Carter would designed to produce offsetting somewhat prefer in an election

> the heart of Republican candidates. From the recent mid-1979 unemployment low of 5.6 per cent, 1980's end is likely to see an unemployment rate of somewhere between 7 and 8 per

Note how weak is the expected

drop in long-term interest rates. These days, the market seems remarkably efficient in anticipating likely future events—such as a 1980 recovery. By contrast, short-term interest rates fall more sharply, in anticipation of next winter's weakness in the

-What are the odds that the U.S. recession will be so viruled and long-lasting as to pull the rest of the world into a recession comparable to that of 1972-75?

Were it not for my concern that Covernment policy may be conducive to weakness in the American economy, I would bet against the current recession being a major down-turn.

recovery had not this time moved so strongly into the region of full capacity and supply shortages. Inventory stocks were more distorted in 1973 and 1974 than the evidence suggests them yet to be. All this augurs a more moderate

down-turn. The 1979 rise in OPEC oil prices, bad as it is, is only a fraction of the jump we experienced in 1973-74. From smaller external shocks, we are entitled to expect smaller

adverse cyclical reactions. There is a third important difference from 1972-74. Then, raw material prices were-soaring, as the whole world was simultaneously in an all-out boom. When all go up together the skids are greased for all to collapse together. Europe this time moves to a different

drumbest from ours... Why, then, am I not more sanguine? My concern that the U.S. could be in for two or three years of stagnation stems from my apprehension that political pressures may this time work towards pre-occupation with inflation rather than with recovery in output and employment. __

The Kennedy team of fifteen years ago would be confident that it had the knowledge and power to bring the current recession to an end by nextspring. Now that is ancient

Jimmy Carter is in deep political trouble. His energy programmes remain Hamilton Jordan to White House high command smacks to the electorate of Richard Nixon's Watergate isolation.

I can no longer dismiss the odds that Mr. Carter will decide against running for re-election. If that occurs, the conditional probability arises that his administration willhew the usual electionpumping-up of the economy. instead, he may choose to go out of office in a blaze of glory

fighting inflation. That same blaze could scorch a considerable part of the U.S. economy. Its heat will not be confined to our own shores, as the rest of the world faces for the first time in the Age of Keynes an American economy not pre-occupied with full

employment.

Professor Samuelson is Professor of Economics at the Massachusetts Institute of Technalogy, Boston.

AA in top gear -for selling

Since its founding in the days when motoring was a new sport for the Edwardian upper classes. the Automobile Association has come a long way. When its latest mail-shot fell through my door last week. I wondered if perhaps it has travelled a little too

There were five different hits

of multi-coloured paper, strewn with the verbal wreckage of marketing seminars: "Say YES today!"—"A Golden Opportunity!"—"You've been given five chances to win a glittering prize in our £38,000 contest! Although I am fairly conditioned to all that, I recently met a typical old-style AA member, a retired major in the West Country. He bitterly complained of being solicited to take out a loan with the AA-"It is to

your advantage to act now. RSVP within 15 days." So I telephoned the associa-tion to ask what this increasing flood of "literature" achieves, and just now much of it goes out. Facts were not easy to come

by.
The AA will not say how many of its 5.3m members it hits with mail-shots, or how often. But the lists are all computerised, so that selective mailings may be made. "The literature is always costed in with the prices of products," I was assured. The AA sells an ever-widening range of merchandise, as well as offering holidays, insurance and other

The net result is a saving of subscription, the AA estimates. The chatty promotion style is plainly much influenced by the Reader's Digest, with which the association has close links. loans scheme is handled by

Durie is a director. insulted by being told to rub a will be Caxton Hall in Tothili still a lot of promotional mile-



" What's good for General Motors "

coin over a blank space to see if they are lucky winners of a Surprise Award? "Complaints are few." I was told. "But you can send in a card if you don't want any literature.

Going private

Our new masters have invented the ugliest word of 1979-privatisation—to describe describe their intention of selling off Pedal promotion various bits of State enterprise such as British Airways and BP. (It is, I am told, an anglicisation of the German " Privatisiering " -itself drawn from English.)

transfer of resources from the public to the private sector is third prize, Diversification began during the Department of Employment, no company's name on the bicycling 13 years when Sir Alex Duric less, is changing allegiance. In map in Europe, especially in the next couple of weeks it is the large and difficult French Mercantile Credit, of which Square headquarters, where its been spent on promotion, some landlord is that bulwark of the £400,000 of it this year. Supposing AA members feel public sector, the Post Office Raleigh says that while the their intelligence is being Pension Fund. Its new home result was a blow, there was

Street, owned by the decidedly non-public Commercial Union.

On a quieter note

Having long since dispensed hereditary heads of state, the French stamp their bank notes with the likeness of some historical figure, whose fame is less transient than that of a President of the Republic, elected every seven years.

For the last 14 years, that honour has gone to Corneille. the seventeenth-century poet and playwright, whose head has graced the Fr 100note, roughly equivalent to our tenner. The colourful "Corneille," will now be replaced by a new Fr, 100 note, bearing the face of Eugene Delacroix, the Romantic painter who died in 1863.

The old note is now considered too big and too easy to forge. The " Delacroix " will be smaller and printed in a mixture of sombre browns and greys which would certainly not have been to the taste of the artist whose effigy it bears. A clever innovation is that it will be embossed with three raised spots, so that it can be identified by blind people and those who, for one reason or another, are doing

Bicycle manufacturers TI Raleigh is putting a brave face on its disappointment in the Tour de France race. After wining the team prize for the Now news reaches me that the past two years, all it could manage this time round was

about to assume hitherto un-imagined proportions. The four-year campaign to put the The race was the climax to a moving out of its St. James's market. More than £1m has

Raleigh says that while the

age in the several break-aways by team members, when the TV cameras were trained on the Raleigh vest for 20 minutes at

The four-year programme had improved the manufacturer's "visibility" in the French market enormously. In 1975 the number of people who had heard of Raleigh was neglible. while a poll last year showed that 31 per cent could identify

the company.

And while Raleigh slipped back this year in the four. parent company TI was keen to point out vesterday that another of its subsidiaries. TI Reynolds, supplied the tubing used to make the winning Renault bikes.

Beastly habit

The silly season being upon us, it is timely enough to mention my meeting with a donkey called Jonathan in a pub in the Sussex village of Alfold. To be precise. Jonathan was just nut ing his head in the window to drink half a pint of Guinness.
"He sometimes has a pint, when
I can afford it," said his owner, airline pilot Bill Scheerbaum.

Scheerbaum also has a pet starling which drinks gin and tonic. I can report that while the donkey can hold its liquor. the bird often gets tipsy and collapses in a heap,

Animal stories invite trouble, of course. A million paragraphs ago, in Africa, I published a photograph of a man holding python which he had killed by jumping on its head.
"Is this a record?" was the careless caption. For months afterwards, men staggered into my office with snakes—some dead. others advanced states of decay. All callers at Bracken House with talking dogs will be sent else-

Observer

DSO, MC, MM...



now, when he sees a clock, he hides

THERE are limits to what the human mind can stand. For Major C*****s, after years of bravery in Bomb Disposal, the limit comes each time he sees a clock. Every alarm clock is a bomb, each ticking watch a probable explosion.

Soldiers, Sailors and Airmon all risk mental breakdown equally in war and in keeping the peace. There are bombs much nearer to us than Cyprus, Aden or Malava.

We devote ourselves solely to the welfare of these brave men and women who have tried to give so much more than they could. We help them at home, and in hospital. We run our own Convalescent Home. For some, we provide work in a sheltered. industry, so that they can live without charity. For others, there is our Veterans' Home. If we are to go on helping them, we must have funds. Please send a donation, please sign a covenant, please remember us with a legacy, perhaps. The need is really urgent; and the debt is owed by all of us.

"They've given more than they could-please give as much as you can."

EX-SERVICES MENTAL WELFARE SOCIETY 37 Thurloe Street, London SW7.2[1_0]-584.8688

مكنامنالئصل

What caused Lord Kearton's outpurst

the new Energy Secretary.

been pressing Mr. Howell to to Lord Kearton's outburst, licences—a message he seems board meeting of the Corpora-to have taken on board—and tion. It denied his allegations, yet according to reports sent to although under the new terms his department companies have outlined by Mr. Howell it did not yet drilled on many of the foresee the prospect of an up-blocks awarded to them in surge in exploration activity. previous licence rounds

technology. A further 11 fields are now in the development stage. And when energy consumption figures are published later this month it could well be confirmed that, for June at least, Britain has at last become self-sufficient in oil.

But still the reports on drilling activity could make Mr. Howell feel uncomfortable during Parliament's summer recess as he ponders the conditions for the next, seventh round of offshore licences. He has already said that the induswill be given greater operating freedom and encouragement by the Conservative Government and that it will find itself less encumbered by an "overextended" British

National Oil Corporation. Just how much influence BNOC will have in future offshore activities, and how it will be financed have still to be clarified. But what has been said so far has been enough to provoke Lord Kearton, the shortly-to-retire chairman and chief executive of the Corporation, to make an extraordinary Oil companies were sitting on unexplored blocks, preferring to

SOME DISQUIETING facts hold "acreage in the bank," he about the exploration drilling record of oil companies operating on the UK Continental the butt of "outrageous lies" Shelf have been passing across as an alibi for not increasing the desk of Mr. David Howell, exploration and development work.

The offshore industry has The industry reacted strongly forther exploration made after the last monthly

It would be quite natural to The implied criticism may regard Lord Kearton's remarks not detract from the industry's as the venting of frustration. He record of past achievement has worked tirelessly to After all, it has taken less than strengthen the Corporation's oil a decade to bring on stream 12 industry role; now he sees the commercial oil fields; each one Conservative Government disof the developments extending mantling much of what he has the frontiers of offshore oil achieved. Furthermore, he has grown weary of the public sniping by some private oil com-panies.

But Lord Kearton's attack on the industry's drilling record was no off-the-cuff rebuke, delivered in the heat of the moment. It was a dramatic summary of a study that has been conducted within the Corporation, the results of which have influenced a series of BNOC recommendations now with the Energy Department.

38% unexplored

In essence the study shows that of the 371 blocks and part blocks allocated in the first four rounds of licences and still held by offshore operating groups, no fewer than 142—or 38 per cent -have not yet been explored

with even a single well. Originally S63 blocks were allocated between 1964 and 1972 under the first four licence rounds. About 70 per cent of the acreage has been returned to the Government by the industry as being of very little exploration interest. Under the terms of attack on the private oil sector, the licences the industry was required to relinquish only 50 per-cent of the area.



Mr. Howell, Energy Secretary; BNOC's reports could make him feel uncomfortable.

But the focus of BNOC's concern is the acreage that has been retained by the companies-presumably the most promising blocks and part blocks. "The companies have been crying out for new exploration licences when they have plenty of work that could be carried out on existing licences," said Mr. Martin Lovegrove, manager of BNOC's economic intelligence and information departments, and author of the internal study.

By and large, private industry has done a good job and is continuing to do a good job. particularly with field develop-ment projects. But it has put up a smokescreen in saying that it needs new blocks to stimulate new exploration. We have had to push a lot of companies into drilling anything at all."

Lovegrove, who formerly North Sea oil analyst with stockbrokers Wood Mackenzie, reports in his study that the companies still holding licences on blocks issued in the first four rounds have drilled on average of 1.21 wells per licensed block. "This is not an impressive performance when one bears in mind that the average size of a block is over oil lying in conventional depths were quite possibly some "drill- able prospects" in the licensed able prospects" in the licensed able prospects in the licensed able prospects in the licensed to be accommicated to be economically attractive at present; there was a need for the Government or five wells on another block in the same licence." He said to obligations. "While companies may not have drilled on obligations. "While companies may not have drilled on obligations. "While companies may not have drilled to be economically attractive at present; there was a need for the Government or five wells on another block in the same licence." He said to obligations. the companies still holding

250 square kilometres. And it hardly endorses the view that the North Sea is a mature province," he said.

There can be no argument that exploration drilling has declined. In 1975 there were 79 "wildcat" wells drilled in the UK sector; in 1976 there were 58, in 1977 there were 67 and last year there were just 38. The figure will remain low this year; at present only three of the 13 rigs operating in UK waters are engaged in explora-tion work; the remainder are appraising previous discoveries or involved in development and maintenance programmes.

There is no doubt, of course, that exploration drilling is becoming a riskier business. For the past couple of years on average only one in ten exploration wells has been successful, a far cry from the 40 per cent success rate of the early 1970s. What is more, the amount of oil found per successful well has fallen-from an average of over 50m barrels per well in the mid 1970s to nearer 25m barrels per well last year.

Vital guestion

This evidence seems to confirm the industry's view (and the opinion of BNOC) that the best and most easily identified said Mr. Lovegrove. reservoirs have already been discovered. Moreover, the considerable improvements in seismic techniques in recent years have enabled companies to assess much more accurately what is below the seabed without the need for costly explora-tion wells. Typically the cost of North Sea drilling is \$60,000 to \$70,000 a day; one well can cost several million dollars.

SUMMARY OF DRILLING ACTIVITY ON BLOCKS ALLOCATED IN FIRST FOUR UK LICENCE ROUNDS

-		Net blocks No. of blocks	ks licensed* As % of to
No. wells drilled	•	142	38
] well	119		
2 wells	63 24	205	56
3 wells	24)		
4-6 wells		19	5
7-9 wells	2)		٠.
10-12 wells	2) 1 ;	4	1
13-15 wells	j 1		-
TOTAL		371	100
 Blocks still licensed, i. 	e., not relinquis	hed.	_
		and the state of t	OH O

DRILLING PERFCRMANCE IN THE FIRST FOUR UK LICENCE ROUNDS

Net Blocks Licensed No. licensed No. drilled Wells drilled Wells per block	* U.S. 209 (54%) 134 (59%) 270 (60%)	Operators UK 128 (35%) ?1 (31%) 139 (31%)	Others 34 (9%) 24 (10%) 39 (9%)	Total 371 229 448
licensed Wells per block	1.29	1.09	1.15	1.21
drilled	2.01	1.96	1.63	1.96
Note: Figures in par F Blocks still license	rentheses are	percentages	of the total col	umn.

Source: British National Oil Corporati of water on the UK Continental small oil fields found.

Shelf would be found in the first four rounds of licensed blocks," are saying that this undrilled 38 per cent of acreage is bad, then the prospects for finding more oil lock to be very

In fact, the industry is not saying that the undrilled blocks should be totally written off. Mr. George Williams, director general of the UK Offshore Operators' Association said there were quite possibly some "drill-

The Energy Department is currently considering ways of providing incentives to companies which want to exploit small fields. In the meantime, the industry's activity is concentrated on appraising and exploiting large finds. "It would be a waste of a well to drill for a prospect that appears to be below the threshold size of a viable field." Mr. Williams

The industry, he said, had more than fulfilled its explora-tion obligations. "While com-

had not fulfilled the drilling tinental Shelf is, like the rest of requirements as laid down in the oil-producing world, full of work programmes agreed surprises and a well not drilled between the government and is a penalty to the nation in companies when heences were terms of information foregone. awarded. "On the contrary I This drives to the very hear know of many that have done a of the issue. Only by drilling can lot more.

report submitted to the Government and given scant airing by the Energy Department claims that 38 obligatory wells, laid down in work programmes in have not been drilled.

The claim is made by Pro-fessor Peter Odell, director of Erasmus University's Economic Geography Institute in Rotter-dam, who was asked by the Labour Government to report on the development of the UK Continental Shelf. In the recently submitted report Professor Ode!l argues that a failure to drill a well sometimes appeared to be accepted by the Govern-ment because "new geological evidence" showed that further exploration would not, according to the company, be worth-

Obligations

But if "disappointing new geological information abled companies to withdraw from an obligation, positive additional geological information in respect of another block should give the Government the right to order a company to drill extra wells. Prof. Odell goes further. A

company, he says, should not be permitted to withdraw its dril-ling commitment without at least paying a penalty equal to the investment it had not made, Also it ought never to be allowed to retain any interest in any part of a licence for which the originally required work programme had not been fully completed.

This drives to the very heart

the industry identify reservoirs: It appears, however, that this seismic surveys can-at bestis not strictly the case. Another merely point the way. And as the industry runs out of the most obvious, large fields, it will have to rely increasingly on difficult-to-interpret geological formathat 38 obligatory wells, laid down in work programmes in the fourth licence round alone, have not been drilled. A case in point is the Brae Field which may soon be exploited if the Government gives its consent. Brae is contained in block 18/7 in a geological structure already perforated by 13 wells. And still the appraisal drilling continues.

Undoubtedly the risks are great. But, according to Mr. Love-grove, the Government's conditions for North Sea exploration work are a "seventh heaven" compared with some oil regions. "There are over 30 wells being drilled off Parity and thurs are drilled off Brazil and there are no guarantees that companies will even have access to the oil they find. In the North Sea, com-panies can offset up to S1 per cent of the cost of exploration wells against lax on the production from previous finds.

"The UK is an unbelievably soft option for the companies. With this in mind BNOC has recommended that licence conditions relating to drilling should be tightened. It also wants a more flexible system for allocating blocks; more of a configuous review rather than sporadic bouts of licensing.

In view of the Government's more muted support for BNOC it is questionable whether the recommendations will be fully endorsed by Mr. Howell. However, the Energy Secretaryhaving accepted the industry's please that it will step up the page of exploration — will be stching drilling rig movements "The British North Sea and with more than passing inten-the rest of the country's Con-during the coming months. with more than passing interest

Letters to the Editor

True and fair

From Mr. R. Instone Sir,-May I add one point to the admirable letter (August 1); from Mr. Ian Perry of Thornton Baker, in which he suggests an amendment to the Companies Acts so as to allow small com-panies to opt out of full audit requirements and in favour of a less comprehensive "review?"

It was a fundamental defect of the Accounting Standards Committee's discussion docu-ment "Setting accounting stau-dards" that it proceeded upon the basis that the only statute requirement as to accounts is that they should give a "true and fair view." In fact, how ever, the Acts impose on directory requirements as to their comply. These obligations are distinct from and additional, to the "true and Isir view" requirement, and the Acts impose criminal sanctions on both

The primary question which indiers to borrowers.

the ASC must sooner or later. If comparability is to be R. G. Nicholson face is whether or not the Acts applied in these circumstances 43 George Street. the form and contents of ac-

ftion is how to integrate statements of standard account-ang practice within the frame. iwork of the last. Neither of these questions is so much as mentioned in the ASC's discussion document because of its erroneous foundation

My own preference, which from the Managing Director. Indiamental reform of the confirment of Trade to tenerity by his article "The case for a fundamental reform of the more frequency resort by the City of London Building Society European Court." July 18.

Department of Trade to its ex. Sir, I was so glad to see Mr. Lord Scarman, if correctly sting power of amending the Palamountain's letter (August reported, is alas, not quite accuracionating requirements of the 27 supporting the excellent ate. The jurisdiction of England Acts. by stabilitary literature of defer from Mr. Camplin. It is and Wales is not unrepresented. Acts by statistory lightnument, defter from Mr. Camplin. It is prompted to doubt by invite high time that this question of lives from the ASC but after tax relief on interest on consultation with other interest, horrowers money was put in its proper perspective and a true made force will be proper perspective and a true nade for it will dropss the ASC1 unless and until the ASC addresses tiself to the right Ralph Instance Nem Sõuate. incoin's inn,

Roviews and audits

From the Chairman, Policy Committee, The Association of Independent Businesses

Sir.-Mr. Ian Percy (August 1) states that his main concern is not with the interests of the auditors. The crux of his argument, however, seems to be that because formal standards are applied with increasing rigour auditors are unable to give honestly the traditional "true and fair" opinion in respect of the accounts of many smaller companies. This is a matter decline in the numbers employed

which accountants must sert out I should fust like to point out there is no correlation between company's being precluded from applying adequate internal control or its being an "unauditable cash business" and its falling within some arbitrary number of employees. Such your members? definitions advocated by Mr. Percy, evade the real problem.

favour of audits as they check earned more last year through accounting procedures, reassure minority shareholders, and, often most important, obviate arguments with the inland Revenue. That is why they have shown such a lack of enthusiasm the transfer of the unions long before the electric the revenue. for the arguments about reviews

accountants have been putting forward for some time. Color Dauris World Trade Centre, E.

interest and

From Mr. R. Waber

should continue to legislate for it should surely be in the Worksop, Notis. the form and contents of act reverse direction. Rather than extending the allowability of people who are not accountants inférest payable interest receiv-would undoubtedly say "Yes," able for example on savines in as would, I imagine most ac-building society accounts, should-countains, the practical ques-be taken out of the charge of R J. Wyber.

56, Gibson Square: N1.

Allowable rent

proper perspective and a true a judge, and, as is evident from statement of the real fact was reading the reports, has as made. I share Mr. Camplin's great a possibility as anyone of view on tax deductibility for "feeding in" to the system signers. rent. It does not breach any nificant and relevant parts of hasic principle within the tax his own law. Nor is it correct to ronntries rent is allowable as a deductible expense.
A. G. C. Trollope. 34, London Wall, EC2,

Interest in Ferranti

From Mr. R. Nicholson Sir.-Come come Mr. Rooney. Before committing yourself to print (July 24) as a responsible read with the related Article trades union official, let us read .97 (1) (c) of the rules of proceat least one fact, just one, sup- dure does not, happily, allow porting your opinions before a member state to rennen a case von state: "involvement with Racal etc. is anathema to us." Who is "us?" These facts may Indeed member states are interest you.

What are you frightened of Mr. Rooney? A continuing

Turnove: (EDCO)
Net profits before the (EDCS)
Nembets employed 1- UK
Averaga remuneration (£ 0 °)
Turnover, par UK employee (£)
Net profits per UK employee (£)
by Ferranti and, therefore, more

of Racal's subsidiaries where we balance.

Businessmen are generally in don't have a trade union but I

tion that they should mind their scheme of things, and by the own business which probably task given to it in Article 164 and audits which various own business which probably explains why she was elected Prime Minister and, incidentally, why Mr. Rooney has a "healthy respect" for the present Government. He should have a healthy respect also for his own members who elected

If Mr. Rooney speaks for all trades unionists and thinks he ran sabolage rationalisation of the electronics industry which Sir Mr. Palamountain is considered essential by Gov-(August 2) pirges comparable ernment, management and treatment for tax purposes of unions—or is it?—in the swiftly tors an obligation to ensure that interest receivable and payable changing world of advanced accounts comply with the statu. He argues that as interest technology and in which we receivable is subject to tax so probably possess the best brains form and contents, and on audi interest payable should be in the world, his fellow workers tors to certify that they do 50 allowed. This is all very well won't have it. "Think is the when interest remains positive corporate motto of IBM with in real terms. which Ferranti may be trying At present however, real in to compete—Think, Mr. Rooney, terest rates are generally negative before issuing public statements tive and our financial institutional threatening still further the directors and auditors in case tiens thus operate to make at livelihoods of your members and

The European Court

From Professor J. Mitchell -Sir,-It is no doubt rash to argue with so learned a correspondent as Mr. Hermann; yet one is tempted to temerity by

and Wales is not unrepresented. There is an Advocate General from that jurisdiction and he has the same rank and status as and in some overseas say that there is no possibility rise rent is allowable as a of seeking to answer the opinion of the Advocate General. Article 41 of the rules of procedure specifically provides a possibility of reopening the oral pro-cedure. There are, though, good practical reasons why this Article should not be widely used. Leaving on one side a doubtful interpretation Article 177 (EEC), Article 39 of the statute of the Court, when whenever it wishes. They have

£-11.	ברנ"	Plat	1
72.71	-4110	1077	در جدل:
70.185	7.6.861	34 774	191 501
331	9,122	6.2	47.577
16,677	160	3,502	5.27
1.700	3.727	1,67	3,67*
4,219	9,697	8.900	21,197
-2	563	1,763	8,555

people on the dole, or lower promit observations. Their conductivity and an even lower venience is not the only one to definition by lurnover, assets, or relative standard of living for be considered in the context of our members? time limits. The interests of I am only a storeman with one litigants must also be in the time limits. The interests of

These, however, are matters of detail. The substance is perhaps to be found in the criticism of modes of interpretation. It is hard to see the "constant straying from accepted rules of interpretation" to which reference was made. By its place in the (EEC) the Court is condemned to adopt a constitutional role. and that inevitably often governs the principle to be applied. Once the decision in Case 48/74 Charmasson had been taken, a evolution leading logical through Case 68/76 Commission v. France led inevitably to the decision in the case against the United Kingdom dealing with restrictions on potato imports. If logic be left on one side, the practical reasons given by the Court for its decision are in themselves convincing.

The importance of this constitutional role is twofold. The Court, can, as the Commission indicated in argument in the last case, play a part in forcing the other institutions to accept their responsibilities. Granted the delays in the decision-making process that can be essential to the health of the Communities. It is a role which will not be diminished by direct elections. Those, however, do not exist simply for the member states. They exist as much for the citizens of Europe. In rela-tion to those citizens the Court plays an equally important part in giving reality to the Communities. Its main instrument to that end is the easy use of Article 177. It must, therefore, be remembered that it is those citizens who will finally pay the price for any complication of that procedure. It may also be remembered that such courts, as the history of the American Supreme Court shows, have to live dangerously. They annoy some people all the time, but in annoying some, they give benefits at the same time to

(Prof.) John D. B. Mitchell, 28. Murraufield Arenue, Edinburgh.

Public sector borrowing

From Mr. E. Chalmers.

Sir,-The City is not prepared to be weaned away from the £81bn public sector borrowing requirement limit (Lombard, August 1). Nor is it going to be distracted by any statistical sleight of hand expressing the PSBR as a percentage of gross national product, rather than as an absolute amount. The latest piece of permissiveness in this area is to argue that a higher PSBR can be tolerated if it is the result of a recessionary shortfall in revenue and expansion of welfare payments. The consequent larger volume of gilts that would have to be sold had the chance of intervening. would not necessarily be any privileged. References under more easily absorbed by the capital market because the level Article 177 are not fed to them of unemployment was higher.

The Government is making an admirable effort to get down the evel of public expenditure There is a danger however that this resolve might be weakened by too much theorising on how the PSBR is not really as big as it seems. The City is quite prepared to be weaned away from an £81bn PSBR-in a downwards direction! Fric Chalmers. AR Alumne Road,

Crnonhury, N1.

UK: Engineering unions begin first of series of one-day national strikes over pay.

Confederation of Shipbuilding and Engineering Unions meeting British Shipbuilders to discuss closures

Heads of Government Conference continues in Lusaka. Senor Adolfo Suarez, Prime

corporation's plans for yard Overseas: The Commonwealth

Minister of Spain, and Sr. Marcelino Oreja, Foreign Minister, begin two-day visit to for discussions Brasilia

credit business (June). Retail

Today's Events

politics and trade. Belivia Congress meets to COMPANY RESULTS elect president.

King Olav of Norway continues visit to Isle of Man. Sir Kenneth Cork, Lord Mayor of London, in Bangkok.

OFFICIAL STATISTICS Wholesale price index (July provisional). Building Societies' house prices and mortgage statistics (second quarter). Hire purchase and other instalment

Final dividends: American Asphalt

County and District Properties. Ellis and Everard. Howard Shuttering (Holdings). COMPANY MEETINGS

See Week's Financial Diary on on Page 22.

Cricket: Cornbill Insurance Second Test, fourth day, England

Week—Duke of Edinburgh attending in Eritannia, World Cadet Championships, Terhay, Cadet Championships, Terhov. Tennis: Inter-Services Championthins, Wimbledon, Bawls: Women's National Champion shins, Learnington Spa. CURY OF LONDON LUNCE-TIME MUSIC St. Lawrence Jewry next Guildhall, Gresham Street, EC2.

Piano recital by Geoffrey Saba of works by Chopin and Matthews, 1pm. St. Michael Cornhill, EC3.

Organ recital by Ian Richards, 1 v India, Lord's. Yachting: Cowes pm.



Abecor is your passport to a world-wide banking network.

Abecor is an association of leading international banks. with combined assets of over 250 billion dollars. Helping business expand into new markets is one of Abecor's principal skills. Barclays, your Abecor bank in Britain, can help you directly in this way.

Passport to markets Barclays, through Abecor has access to the 11,000 branches of the member ... banks. In its own country each bank is your passport

to new market opportunities.

Passport to speed Abecor is your passport to speed. For example we can arrange credit quickly with any Abecor member on the basis of your rating with us.

Passport to service Abecor makes all its services available as quickly and simply as possible. If you want to use them contact Mr. B. Bartlett. Barclays International Division, 168 Fenchurch Street, London EC3P 3HP. Telephone: 01-283 8989.

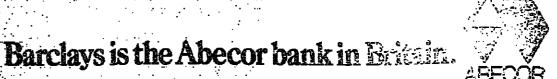
The Abecor Banks Algemene Bank Nederland Banca Nazionale del Lavoro Banque Bruxelles Lambert Banque Nationale de Paris Barclays Bank Bayerische Hypotheken- und

Wechsel-Bank (HYPO BANK) Dresdner Bank Österreichische Länderbank

Luxembourg. Associated Member

Banque de la Société Financière Européenne

Banque Internationale à



Associated Banks of Europe Corporation

COMPANY NEWS Baillie, Gifford repays

managers, have repaid \$39m of ceeds of sale of the foreign less than a year before July 18. securities being financed.

These are the biggest repayments of foreign borrowings for ments of foreign borrowings for management, said yesterday that confolio investment announced they had moved quickly to repay the confolio investment announced they had moved quickly to repay the confolio investment announced they had moved quickly to repay the confolio investment announced they had moved quickly to repay the confolio investment announced. ments of foreign borrowings for portfolio investment announced since such repayments were made possible by the relaxation of exchange controls on July 18.

The repayments were made at he normal sterling/dollar exchange rate ruling at the time. In Baillie's case, the average much further.

the proceeds are brought back to rate was \$2.311 to the pound. Baillie has repaid all the the UK they will not receive the Prior to July 18 repayments of eligible borrowings except for investment currency premium.

y Ballie, Gifford and made at the investment currency of borrowings which are inScottish investment premium rate or with the proeligible because they were made

\$39m foreign borrowing

they had moved quickly to repay the loans because the pound had risen a long way and might soon fall back. Similarly, although they had been pessimistic about the dollar for some time, they did not now expect it to fall much further.

BOARD MEETINGS

TODAY

laterims—	
Algemene Bank Nederland	Aug. 10
Anglo-International Inv. Tat.	Aug.
Blagden and Noakes	Aug. 20
Brammer (H.)	Aug. 2
Goode Durrant and Murray	Aug.
Hawley Leisura	Aug.
Higgs and Hill	Oct. 10
Lovell (G. F.)	Aug. 16
Macteriane (Clensman)	Aug. 2
Manchester Ship Canel	Aug. 13
Newarthill	Aug. 23
Refugee Assurance	Aug. 30
Tomatin Distillers	Sept. 25
Tumer and Nawall	Sept. 6
Unifever_	Aug. 15
Wagon Finance	Aug. 3
Wolf Electric Tools	Aug.
Finals	Aug.
Associated Dairios	Aug. 29
Associated Tooling	A
Challenge Corp	Aug. 1
Elek /C M }	
Firth (G. M.)	
SEET True	Aug. 16

Wilson Walton

Unaudited

Referring to claims which the company was making in respect 1977, the chairman says the total adjustment to be made against reserves to reflect provision for these claims amounts to £1.6m and this will be included in the

FT Share

The following securities have been added to the Share Information service appearing in the Financial Times:

B and Q (Retail) (Section: Drapery and Stores).

Bank and Commercial (Property). Dixon-Strand (Chemicals). Intel Corporation (Overseas

New York).
Malaysian Plantations Berhad
(Rubbers). National Semiconductor Corp (Overseas—New York). North British Canadian Inv.

Phicom (Electricals). Rolm Corporation (Overseas-New York). Tooheys (Overseas-Australia).

Controversial plan out soon for lease accounts

BY MICHAEL LAFFERTY, BANKING CORRESPONDENT

go ahead shortly with contro-versial proposals on treating proposals on treating of the asset. leases in company accounts. the UK's fastest growing form of finance.

The profession's Accounting Standards Committee has recently circulated a draft paper that firmly supports capitalisation of leased assets in lessee company accounts. Under an accounting stan-dard, therefore, users of leased assets would be obliged to show leased assets in their balance sheets as assets, with the equiva-lent liability for future rentals appearing as borrowings.

Company practices vary but most are thought to disclose little about leasing obligations. Banks and finance houses, the main lessors, oppose capitalisation of leased assets in lessee accounts. They fear that that would encourage the Inland Revenue to press for capital

BY MICHAEL LAFFERTY,

THE PRESENT system of

investment incentives may have increased investment in the

at the expense of the manufac-

turing sector because of the use

This is suggested by Mr. J. R. Franks and Mr. S. D. Hodges

of the London Business School

in the latest issue of the National Westminster Bank

the past, lessors have felt unable to design leases that would

than to the users of the assets."

The authors believe that, in

of leasing.

quarterly review.

company rather than the user ing.

committee's reluctance proposals.

Harmonised

The leasing industry generally supports disclosure of data about leasing commitments in notes to lessee accounts. That: would be at variance with pracwhere lease capitalisation is

Australian accountants are

ACCOUNTANTS SEEM set to leased assets to go to the finance with lessor and lessee account On lessee accounting, it sug-

Their opposition is thought gests that leases that are to be the main factor behind equivalent to the purchase of an asset (finance leases) should to publish its be capitalised in financial statements; and that future lease rentals that extend for more than a year beyond the balancesheet date should be disclosed separately for each of the next five years, and in one sum thereafter.

On lessor accounting, it suggests that finance leases should tice in the U.S. and Canada, be accounted for as if they were equivalent to a loan of money; that the finance charge should be allocated over the period of expected shortly to take the the lease to give a constant rate same line, while the Inter- of return on funds employed; national Accounting Standards that, where tax materially Committee, the London-based affects the cash flows, funds body that seeks to develop hare employed should be taken to monised international account- be cash invested; and that ing rules, is expected to issue a rentals receivable in the next purage the Inland paper on the subject soon. accounting period should be press for capital The UK committee's paper, to shown as current assets, with attributable to be approved in September, deals the balance as long-term assets.

effective one for encouraging

"As a consequence, .com-

panies may be severely hampered in their ability to obtain all the benefits of the

tax incentives. This position may be unwelcome not only

because the investment incen-

tive scheme will prove ineffec-tive, but because some com-

panies may be at a competitive

disadvantage purely as a result

of their different tax positions."

corporation tax.

Vickers buys Medelec

group, has extended its interest in medical equipment with the acquisition for £3m of Medelec the small Woking company.

That is part of Vickers los term plan for the growth of its medical business. Medelec, which exports four-fifths of its sales, specialises in making equipment for clinical neuro-physiology and industrial graphic recording systems.

Mr. Kenton Wood, chief executive of Vickers Medical is to replace Mr. Arthur Craven as managing director of Mede-lec. Mr. Crayen, co-founder of the company, is to retire. However, Mr. Peter Styles, Medelec's technical director, who started the company with Mr. Craven, remains with to organisation and become technical director of enlarged Vickers Medical.

Swedes open £1m factory

has invested £500,000 in setting up an automated factory in Britain to produce garme hangers.

The East Ham factory, opened today, will employ 25 people? rising to 75 over the next three

Karner decided to set up in the UK because importing in Britain was becoming increas ingly expensive and labour rates. vere attractive. Initially the factory will produce several bundred thousand injection. moulded hangers per week

Quicker coal

A £2.3m rapid-loading bunker is to be commissioned this autumn at Ollerton Collier near Newark, Nottinghamshire It will enable 150 permanenti; coupled trains a week to travel from local collieries to big

WRR

U.S.\$50,000,000

CAISSE CENTRALE DE COOPERATION ECONOMIQUE

Floating rate notes due 1998 Unconditionally guaranteed by the Republic of France

In accordance with the conditions of the Notes, notice is hereby given that for the six month period August 6th 1979 to February 6th 1980 (184 days), the notes will carry an interest rate of 11.4375% p.a. Relevant interests payments will be as follows:-

Notes of US\$1,000 US\$58.46 per coupon CREDIT LYONNAIS (Loudon Branch) Agent Bank

FINANCE FOR INDUSTRY TERM DEPOSITS

Deposits of £1,000-£50,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits received not later than 17.8.79. Terms (years) 3 4 5 Interest % 12 12 121 121 121 121 121 121 Deposits to and further information from The Chief Cashier, Finance for Industry Limited, 91 Waterloo Road, London SEI. 8XP (01-928 7822, Ext. 367). Cheques payable to "Bank of England, a/e FFI." FFI is the holding company for ICFC and FCI.

City of Copenhagen \$15,000,000 9 per cent. 15 Year External Loan of 1970

NOTICE IS HEREBY GIVEN that, for the Sinking Fund of 1st October, 1979, a Drawing of Bonds of this Loan took place of 26th July, 1979, attended by Mr. Richard Graham Rosser of Messrs. De Pinna, Scorers & John Venn, Notary Public, when the following bonds were drawn for redemption at par on 1st October, 1979.

Bonds, which may be presented for redemption at any of the Paying Agents for the Loan, must bear the Coupon dated 1st Closer, 1980 and all following Coupons otherwise the amount of the missing Coupons will be deducted from the principal to be

BONDS DRAWN 11. 350 Bonds of nominal value of \$1,000 each ·· Numbers

802 1342 1834 2257 3621 4274 4684 5494 5692 7345 6628 7345 8007 8628 9141 10503 11514 12237 12621 13457 803 1346 1865 22762 3531 3825 4283 4723 5496 6616 66910 7456 6910 7456 10166 10166 11335 11525 12286 12855 13457 810 1379 1925 2288 3561 4142 4473 45498 6698 7707 7590 8228 8725 9155 9601 10215 10716 11207 12293 12293 12293 12340 13460 13909 14487 893 1446 1928 2328 3074 3562 4448 4689 5502 6065 6785 7725 6785 7725 8723 9170 9616 10263 11468 12299 12841 14481 14481 14481 1153'
1477'
1932'
2376'
3147'
3650'
4173'
4572'
504155916136'
6792'
71127808780810963'
11484'
12110'
1250813056'
13056'
13056'
13056'
13056'
13056'
13056'
13056' 1212-1796 2050 2382 3159 3766 4203 4293 4293 5112 5685 6165 7236 9252 9800 10384 10970 11590 12170 12170 12170 12526 13059 14585 1476 1830 2334 3143 3577 4171 4474 5509 6067 7169 8258 9032 9032 9032 9617 10283 10867 11409 12180 13002 14486 14486 14486 1543 1994 2377 3109 4188 4586 5504 5504 5507 6162 5794 7114 7632 9043 9043 9191 9715 10568 11462 12169 12524 13067

35 801 1282 1827 2231 2695 3240 3786 4271 4669 5452 5911 6693 6626 67327 7944 9140 9382 9944 10583 11568 11568 11568 11568 11568 11568 11568 11568 11568 11568 11568 11568 11568 11568 11568 11568 11688 116 13780 14092 14585 14912 14125 14587 14988 Bond number 9345 which was drawn for the redempt in on 1st October, 1976 has not yet been prese

Bonds numbers 3168, 5060, 9508 and 10817 which were drawn for redemption on 1st October, 1976 have not yet been pre-

365 4746 29 702 2099 2963 4789 8994 14785

NOTE: Any of the above drawn Bonds with relative Cou itary in London with: Morgan Granfell & Co. Limited, 4 Throgmorion Avanua,

Moscow Narodny looking to raise paid-up capital by £5m

Moscow Narodny Bank, the Russian bank registered in London which made huge losses raised £2m from its shareholders in 1978 and wants to increase its paid-up capital by another £5m This is revealed by Mr. O. N. Koulikov in his chairman's state-

ment in the 1978 report and accounts issued recently.

The Russian-owned bank went on a spectacular lending spree from its Singapore branch between 1971 and 1975. Its ioans and advances from the branch rose from nothing to about

The world recession hit the branch bard as several customers got into difficulties and Moscow Narodny called in loans. Allegations were made that the

of our balance sheet, total assets declined slightly from £1.4bn at the end of 1977 to £1.3bn a year

The biggest shareholders in Moscow Narodny who may be called on to provide the extra

BRASILYEST S.A.

SOCIEDADE DE INVESTIMENTO DL NO 1401

Holders of International Depositary Receipt (IDR's) issued by Morgan antec Trust Cy. of New York, representing depositary shares of the second, third and fourth series respectively, who wish to have the under cr. dir. shares voled at the above meeting must deposit instructions, together relevant IDR's, indicating how such cr. dir. shares should be voted or ling Morgan Guzanty Trust Cy. of New York to give a discretionary proxy person designated by them at any paying agents:

—Morgan Guaranty Trust Cv. of New York:
Avenue Des Arts 35, 1040 Brussels.
Wall Street 23, New York N.Y. 10015.
Lumbard Street 33, London ECS.
Stockerstrasse 38. Ch 8022 Zurich.

Manufacturers Hanover Limited

subject only to the issue of the Notes. Interest is payable semi-annually.

and including 20th August, 1979 from the brokers to the issue:-

Amsterdam-Rotterdam Bank N.V.

Kredietbank S.A. Luxembourgeoise

Orion Bank Limited

6th August, 1979

Authority

parentheses i

(telephone number in

Morgan Stanley International Limited

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD.

45 Cornhill, London EC3V 3PB, Tel. 01-623 6314 Index Guide as at August 2, 1979

LOCAL AUTHORITY BOND TABLE

Annual Interest

able

interest

gross pay- Minimum of

នបញ

suits were started all over the

whole lending exercise had been politically motivated. Some customers claimed that their loans had been called in unreasonably and a series of law

The £2m new capital and the application to shareholders for another £5m in paid-up capital follow a period of re-organisa-tion, management changes and financial retrenchment. Mr. Koulikov remarks in his statement: "Continuing our cautious policy of improving the structure

NOTICE OF EXTRAORDINARY MEETING OF SHAREHOLDERS NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Shareholders of the company will be held in the company's offices at Rua Direlta, 250. Sao Paulo, Brazil at 10.00 a.m. on Friday. 10th August 1979, to consider certain amendments to the company's stitutes in compliance with the requirements of Resolution No. 519 dated March 14th. 1979 of the Central Bank of Copies of the original statutes of the company and the proposed amend-; are available for inspection at the offices of the paying agents given

£1.7m (£1.5m) bringing the net assets up to £49.5m. As in 1977, the entire profit of the Singapore

Also following the 1977 pattern, the outstanding doubtful debts are covered by bank guarantee. The guarantor(s) are

difficulties in Singapore. But more details about these difficulties have been coming from Central Intelligence Agency reports mentioned in court proceedings in California recently. According to a CIA report in January 1974. Moscow Narodny lost S8.5m when two senior employees knowingly cheques were signed by a friend of theirs. The employees were

money are the Russian state banks. In May, 1978 the State Bank of the USSR had 7.3m shares and the Bank for Foreign Trade of the USSR had 6.5m shares out of a total of 40m.

(\$9.5m) and Winterbottom Trust

The securities financed by the oans have been retained. They

are now classified as "restricted

securities for exchange control

purposes. If they are sold and

the proceeds are brought back to

On the troubled Singapore branch, Mr. Koulikov writes he confident that the past "Considerable scope still exists for a further expansion in the trade of South-East Asian nations with the Socialist countries," he adds.

The bank's declared profit is

branch has been used to provide against bad and doubtful debts.

the shareholding banks. Because this arrangement Moscow Narodny's accounts have never reflected the full extent of its

subsequently fired but money was apparently

This advertisement complies with the requirements of the Council of The Stock Exchange

U.S. \$40,000,000

Trade Development Financial Services N.V.

(Incorporated with limited liability in the Netherlands Antilles)

Guaranteed Floating Rate Notes Due 1986

Unconditionally guaranteed by

Trade Development Bank Holding S.A.

(Incorporated as a Société Anonyme in Luxembourg)

Credit Suisse First Boston Limited

Westdeutsche Landesbank Girozentrale

The Notes, issued at 100 per cent., have been admitted to the Official List by the Council of The Stock Exchange.

Full particulars of the Notes and of Trade Development Financial Services N.V. are available in the Extel Statistical Service and may be obtained during usual business hours on any weekday (Saturdays excepted) up to

Саделоте & Со.,

12 Tokenhouse Yard, London EC2R 7AN

Life

bond

Year

N. M. Rothschild & Sons Limited

Banque Nationale de Paris

Nippon European Bank S.A.

Salomon Brothers International

Merrill Lynch International & Co.

U.S. \$10,000,000

Floating Rate U.S. Dollar Negotiable

Certificates of Deposit, due 9th August, 1984

(Retractable to 9th August, 1982)

THE SAITAMA BANK,LTD. LONDON

In accordance with the provisions of the Certificates, notice is

hereby given that for the initial six months interest period from

6th August, 1979 to 6th Fabruary. 1980, the Certificates will

carry an interest Rate of 1114% per annum. The relevant interest

payment date will be 6th February, 1980.

The following have agreed to subscribe or procure subscribers for the Notes:-

to break even

accounts of Wilson Walton Engineering indicate a break-even position for 1978, Mr. A. J. Wilson, the chairman, tells shareholders. First half profits had slipped from £457,000 to £219,000.

of major contracts completed in 1978 accounts.

Information

Trust (Investment Trusts).

Charities criticised

BY LISA WOOD

A NUMBER of charities have number of charities registered been criticised for failing to —more than 125,000 in 1977 submit regular accounts to the The report said that the Commissioners in report in the National West-

The report is based on a survey of a sample of charities' accounts in 1975. It also says that the information available to the public through the Central Register of Charities is considerably less than the law suggests.

remind them of their responsi-

Sir Keith to visit successful Scots companies

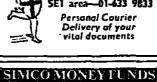
SIR KEITH JOSEPH will this week make his second visit to Scotland since taking over as Industry Secretary. His first trip concentrated on areas and industries in decline. On Thursday and Friday he will see successful companies in-

The include the National Engineering Laboratory at East Kilbride; Brown Brothers, the Vickers subsidiary which pioneered development ships' stabilisers; and Wolfson Institute. Edinburgh, which specialises in micro-processor applications.

City of London Courier Service Ltd.



Saturn investment Management Co. Ltd 66 CANNON STREET FC4N 6AE Telephone: 01-236 1425							
Rates paid	Ca	ur -	ul y 1979 7-day				
Мсп.	96 I 13.9		56 p.s. 13.979				
Tues.	13.8	96	13.995				



Telephone: 01-236 1425						
ates paid	to	W/E 29th	July 1979 7-day			
icn.		% p.a. 13.903	د.و م. 13.979			
ués.		13.896	13.99			
Ved.		13.916	13.97			
hurs.		13.855	13.994			
ri./Sun.		13.539	13.960			

Knowsley (051 548 6555) 1.000 5-7 }-year Redbridge (01-478 3020) 113 45 Merrill Lynch International Bank Limited i-year 200 Redbridge (01-478 3020) 12! 200 Agent Bank

Bonds cannot be accepted through the poct.

The usual interval of four clear days will be required for the co of Morgan Granieli & Co. Limited

Leasing Association was £421m; taxable allowances, on which by last year the figure was most UK leasing is based, is an by last year the figure was financial sector of the economy £1.2bn. Franks and Hodges continue: investment, especially when With so much demand for large parts of manufacturing leasing, lessors have been able may not be paying mainstream to write leases which are only marginally cheaper than debt to the lessee. Leasing has been a seller's market."

Investment aids may be needed

members of the Equipment whether the current system of

However, the growth of leasing by third parties (with industrial and commercial companies acting as lessors, like banks) seems likely to increase the capacity of the industry dramatically.

obtain the greater part of the potential tax advantages for the user of the assets. Further, the 'The net result, sooner or period from 1976 to 1978 has later, must be a market in seen the demand for leasing which the lessee has the opporgrow so rapidly that a major tunity to call the tune and proportion of the tax benefits where lessors will be forced to have accrued to lessors rather compete down to the level of their marginal costs."

In 1976, the amount of leasing business undertaken by the Government should consider

sector was larger than had been previously thought. Charities had a total income in 1975 of

gross national product) and that

there were shortcomings in the

information available to the

The authors stress the import-

public in the central register.

ance of the need for more com-

prehensive information in the

register because of charities'

privileged legal and financial

status—such as their exemption from most taxes. Charities, they

said, had no body of owners or

shareholders, and it was vital that information was readily

available to the Commissioners

and the public.

about £4bn (4.36 per cent

over accounts submission

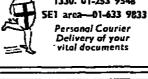
a sample suggested the charity

minster quarterly review.

The report's authors, Mr. Mark Austin and Mr. John Posnett, lecturers in Economics at the University of York, say that there is no evidence that the charities are unwilling to s that the Commissioners do not have the resources to

They said it was unlikely that the Commissioners would he able to improve the situation in the near future because of the Commission's lack of funds relative to the total

volved in advanced work.



Telephone: 01-236 1425						
ates paid	to	W/E 29th	July 1979 7-day			
icn.		% p.a. 13.903	د.و م. 13.979			
ués.		13.896	13.99			
Ved.		13.916	13.97			
hurs.		13.855	13.994			
ri./Sun.		13.539	13.960			

.. N1.0 4.6 3.9 13.4 bd1.0 1.5 4.5 20.7 ... 68.0 2.1 6.0 11.

PENDING DIVS.

Kaiser Steel returns to profit at halfway stage

August 6 B

nat, while steelmaking revenue \$471m.

f. \$651,000, compared with a use of Kaiser's marine assembly cent.
use of \$5.4m last time: At the yard.

AISER STEEL: the might group is now showing earnings compared with \$1.75 last time. Figest U.S. steel producer, of \$75,000 compared with a loss. Higher costs have also been amained in loss in the second of \$1.3m. Per share earnings of largely foreseen, but there are number although like the rest 1 cent contrast with a loss of 19 hopes that the upgrading of the ladustry it charted a cents in the comparable period. Selectively path. The Board said Sales have risen from \$363.4m to the fabricating businesses and perhaps the second of \$2.71m.

reased shipments and prices cludes a \$2.9m gain on the sale sidaries will help to offset not enough to offset higher of part of the limestone and these.

peraling costs and start-up clay reserves. The comparable In the first quarter, the legimenting facilities of the limestone and legimenting facilities. The second quarter saw a loss cellstion of an agreement for

probable increased earnings and volume were substantially. The company comments that contributions for some of the

group pre-tax loss was reduced from \$13.5m to \$8.1m, with sales pushing ahead by 36 per

er share level the loss fell from. On Wall Street, analysts at are the container, construction a cents to 9 cents. Sales, how the major stockbrokers have and capital goods sectors. In ver moved up from \$180, that to already foreseen a rise in sales. June, Kaiser sold its 28 per cent this year, and earnings of \$2.50 stake in Hamersley Holdings to 235.6m. Important markets for Kaiser

redes on No profit this year from SIA

130 INCAPORE — Profits from Funds advanced to aircraft ingapore Airlines for the fiscal manufacturers and interest. The State-owned airline will be charges on loans have become begin a daily passenger service in inged out by higher fuel costs, burdensome the company said. The control of the costs is burdensome the company said. Los Angeles next April. The mounting to Singapore \$414m. Interest on these payments ng director, Lim Chin Beng.

He said that fuel costs for prir 1979 to March 1980, will \$\$50.5m for the period Novem- airline will begin service to

p by 35 per cent from the represents an unproductive use airline also plans air cargo ser-revious year, said the manag of funds until the aircraft are vice to San Francisco, Los ag director. Lim Chin Beng delivered and put into service. Angeles, Chicago and New York He said that fuel costs for Interest charges have risen to next April. In September, the xceed the company's fuel bud ber, 1978 to March, 1979, from Dharan in Saudi Arabia. S\$18.5 in the corresponding AP-DJ

Turning point for Koor steel plant

IIChel Cethe Israeli-steel plant at Acre 978, and expects to become a najor money maker in 1979-80. The works produce steel billets two thirds from local scrap) as vell as profiles, and other

hen, output of the furnaces as more than doubled, to over 30,000 tonnes in 1978, with a operating profit of 290 Ringgits and reorganisation of manage-orecast for 1979 of 107,000 for first half of this year. Last ment and marketing structure, onnes.

Itel predicts higher loss

SAN FRANCISCO-Itel Corporation, the computer and railcar leasing group, said that although results for the second

Itel said that the increased By L Daniel in Tel Aviv quarter are not yet final, it esti-quarter are not yet final, it esti-mates that the after tax less for what it called the establishment —part of the 10th plant Koor the period will be about \$60m. Industrial combine, controlled. Earlier the controlled. size of the loss compared with ndustrial combine, controlled Earlier, the company had said in two bread areas.

—finally turned the corner in 1978, and expects to become

Federal Cables in the black BY WONG SULONG IN KUALA LUMPUR

AFTER THREE -consecutive tures telecommunication cables years of losses, Federal Cables, and steel products, made a loss the Malayslan-Japanese-Tai of 3m Ringgits. were installed in 1975. Since wanese joint venture has reported a sharp improvement in due to more favourable market its results, and recorded an conditions, improved efficiency operating profit of 2.30 Ringsits and reorganisation of manage-

The turnround in results was

Setback in net income at Grumman

By Our Financial Staff

A SETBACK in earnings in the second quarter was announced by Grumman Cor-poration, the leading supplier of military aircraft for the U.S. Navy. Total net income or from 83 cents to 68 cents a share. At \$384.2m. sales and other income have fallen from

At the six-month stage. total net income of \$6.8m or 80 cents a share compared with \$13.2m or \$1.62 a share last time. However, in the comparable period, a loss of \$545.000 from discontinued operations brought the final net income figure to \$12.7m. Sales and other income for the first half total \$713m against

Analysts have warned that Grumman may find it hard this year to maintain last year's earnings total of \$2.66

Swiss funds to maintain dividend rates

INVESTEMENT THREE funds affiliated to Union Bank of Switzerland are all to pay unchanged dividends for the business year ended

June 30. Globinvest, an international security fund, will distribute an unaltered SwFr 1.60 per certificate gross for Swiss-based certificate holders, and a slightly increased rate of SwFr 1.45 against SwFr 1.40 last time for those resident elsewhere.

Pacific Unvest, the security fund for investments in the Pacific area, repeats its SwFr 1.60 dividend. Here, too, a build-up of U.S. money market positions offset a cut in dividend earnings.

The Swiss-Share Fund Fonsa, like the two others administered by the Zurichbased Intrag AG, recorded an increase in fund holding from SwFr 508m to SwFr 532m

Aug. 3

| \$287.2873| | \$2889.2891, |\$2126.5-126.8| | \$2127.2-127.5| |\$26734.28812 | \$29012.29114 |\$2126.5-125.8| | \$2129.1-128.4| |\$286.50 | \$292.85

	Date	Announce- ment last year	Date	Announce- ment last year
	*Acrow :Aug. 7		Lond. Merchant SecsSept. 8	Final 1.167
	DairiesAug. 29 *Ault and		Matthews WrightsonAug. 31	Int. 3,5953
	WiborgAug. 8	Int. 0.72	Metal ClosuresSept. 4	Int. 1.9
ĺ	Products Aug. 9 *BICCSept. 4	Int. 0.75 Int. 2.5	Mills and Allen IntAug. 31	Final 5
	Barrow HepburnAug. 16	ist. nil	*Morgan Crucible, Sapt, 6	Int. 3.653
	BBA GroupAug. 31 *Bibby (J.)Aug. 8 Blackwood	Int. 0.8777 Int. 3.0	Nurdin and PearockSept. 5 Ocean	Int. 0.87
	HedgeSept. 5 Blue CircleAug. 24	Int. 1.3	TransportAvg. 22 OfresSept. 5	Int. 3.9192 Int. 1.18
1	*Sritish AluminiumAug. 15	•	P & OSept. 6	Int. 3.0
	British Electric TractionSept. 7	Final 4.086	Pearl AssAug. 29 Phoenix AssSept. 6	int. 3.85 int. 5.112
1	British Sept. 7	Int. 7.795	PortalsSept. 6 *Provident FinancialSept. 4	Int. 3.85
	BritteinsSopt. 8	Int. 0.7	PyeAug. 18 RaybeckJuly 12	Int. 1.8 Int. 1.225 Final 2.3512
	· SchweppesSept. 7 *Carrington	Int 0.95	Revertex Sept. 4	
ı	ViyellaAug. 15 Collins	int. 0.67 .	. Security ServicesAug. 8	
ł	(Wm.)Sept. 7 *Comban GpAug. 8	Int. 2.086 Int. ¹ 2p	Sedgwick ForbasAug. 24	Int. 4.0
	*Commercial UnionAug. 14 CorahAug. 17	Int. 2.863	*Slough EstatesAug. 29	Int. 1
ļ	Costain Sept. 7 Decca Sept. 5	int. 0.9 Int. due Final 8,596	*Smith and NephewAug. 14 Staffex IntlJuly 28	Final 0.9105 Final nil -
ļ	EvodeAug. 17 Fairclough	Int. 0.3629	*StenhouseAug. 23 . Sun AllianceSept. 6	Int. 1.825 Int. 11.0
Ī	ConsAug. 29	Int. 1.5 Int. 4.658	*Sunley (B.)Aug. 13 *Transport	Final 2.7
	"General" AccidentAug. 15 "Gibbons	Int. 4.125	DevelopmtAug. 16 Travis and	Int. 1.25
	Dudley. Sept. 13	Int. 0.74326	ArnoldSept. 6 Tube InvsAug. 15 Turner and	Int. 0.7725 Int. 10.975
	Guinness PeatSept 6	Final 6.0	NewallSept. 6 *Unilever Aug. 15	Int. 4.5 Int. due
i	*Hambro TrustAug. 7	Final 1.37	Union Corpn. Aug. 29	Int. 15 cents
l	Hepwarth CeramicSept. 5 Haffnung ·	Int. 1.75	TrastAug. 8 *Wagon	Final nil
	(S.)Aug. 25 House of	Final 2.8142	FinanceAug. 31 Werr GroupAug. 30	Int. 0.625 Int. 1.8634
	Freser Aug. 24	Int. 1.8865 Int. 10 0	*Woolworth (F. W.)Aug. 15	

· · ·	<u> </u>
BASE LEND	ING RATES
A.B.N. Bank	■ Hambros Bank 14 % Hill Samuel \$14 % C. Hoare & Co. †14 % Julian S. Hodge 15 % Hongkong & Shanghai 14 % Industrial Bk. of Scot. 14 % Keyser Ullmann 14 % Knowsley & Co. Ltd. 15 % Lloyds Bank 14 % London Mercantile 14 % Edward Manson & Co. 15 % Midland Bank 14 % ■ Samuel Montagu 14 % Norwich General Trust 14 % Norwich General Trust 14 %
Brit. Bank of Mid. East 14 % Brown Shipley	P. S. Refson & Co 14 % Rossminster
E Charterhouse Japhet 14 % Choulartons	Shenley Trust
English Transcont. 14 % First Nat. Fin. Corp 151% First Nat. Secs. Ltd 151% Antony Gibbs 14 % Greyhound Guaranty . 14 % Grindleys Bank	Members of the Accepting Houses Committee. 7 - Aday deposits 11½%, 1-month deposits 11½%, 1 - Aday deposits on sums of £10,000 and under 11½%, up to £25,000 12% and over £25,000 12½%, 2 Call daposits over £1,000 11½%. 5 Demand deposits 11½%.

-				EQ	UITI	ES			
Issus Price p;	Amount Pald Up	Renuno.	1979 gh Low		Stock	Closing	Price D:	+ or 2	5
150 eq.	F.P. F.P. F.P. F.P. F.P.	- 5 5/9 18 10/8 3 - 4 - 3	74 51 ₂ 951 ₂ 8 52 7 175 7 26 1 35 5 30	B & Q (Fairling Matay : Mercay Mettoy Phicom St. Geo	Chemica Retain 5; e Boats n Pi'ts Bo ntile Hour Did 1 10p rge Asset rdTel.&C	o 10 rhad: 5 so 18 2 3	77 12 14 15 14 16 17	5 bi	.4 3.1 1.7
		FIX	ED I	NTE	RES	T \$1	700	CKS	,
E	Am unt Paid up	Renuno Pate Date	1979 gh Low		. :	Stock			
191 100 100 100 100 100 97 100p 198	F.P. F.P. F.P. F.P.	20/7 10 10 27/7 11 20/7 10 50/8 10	2 . 87 2 100 83 973 2 100	English Essex \ Kwik-F Marsh Portsm Scot. A Stoneh Sund. 4	& Overs Water B& It (Tyres) II's Univ'r outh Wa	eas inv. Red Pro 8% Cnv. %174% C ter 8% R aJ Sec. Cum. Po lds Wate	Conv of, 19 Ln, 1 inv.Cu ted. P IS's D of Se	84. 1979/85 Im.Red rf. 198 Seb. 97	5.14
		_	"RIC	:HT	5" 0	FFE	RS	ı	
Issue Price pt	Am'unt Pald up	Latest Renunc Date	· !	79 1 Low		St	ock		-
AS2 36 65 581 ₂ 30 25	Nil F.P. F.P. F.P. Nil F.P.	17/7: 10 10:7: 10 3/8: 24 8/8: 10	40pm	57pm -361g -82 -55 -401c	Abwood Bank of Causton Century Combine Control Edinburg Edinot	New So Sir (J.) . Oils Id Engli Securiti gh & Ge	uth W	res	

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. a Assumed dividend and yield. a Forecast dividend: cover based on provious year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. Cover allows for conversion of shares not now ranking for dividend or ranka i only for restricted dividends. § Placing price to public. pt Pence unless otherwise indicated. I Issued by tender. If Offered to holders of ordinary shares as "rights." "Issued by tender. If Offered to holders of ordinary shares as "rights." "Issued by way of capitalisation. §§ Reintroduced. If Issued in connection with reorganisation, merger or takeover. If Introduction. It issued to former preference holders. E Allotment letters (or fully paid). Provisional or partly-paid allotment letters. * With warrants. If Unlisted security. ## Issued as units comprising 2 Income shares and 10 Capital shares at 125p per unit.

I.G. Index Limited 01-351 3466 Three month Lead 550.3-556.7 Lamont Road, London SW10 0HS.

Tax-free trading on commodity futures.
The commodity futures market for the small investor.

CORAL INDEX: Close 455-460

INSURANCE BASE RATES

Vanbrugh Guaranteed 121% Property Growth 111% Property Growth 1136
† Address shown under Insurance and Property Bond Table.

CURRENCIES, MONEY and GOLD

Sterling back to reality

BY COLIN MILLHAM

nteed be

是不是不是不是一次大多

0.57817640.607914 10 1.30171 1.38513 115 1.33854 1.88476 3472 4427 118.5748 per Cell selgian F anish K Mark Wilder 6,87246 7.31349 2,38464 12,53687 5 2.3845 2.38697 8 2.51653 2.78641 91.554498 5.90343 101.003736 1.18650 54 281443 200.496 7 56530 6.9645 8 25 2004 91.5296 7 3.48532 5.98960 1 2.15654 2.39766

now has at least some sense of direction and a good deal of un-cartainty has disappeared.

For the time being, sterling hooks as though it may stay around its present levels, with the next hurdle likely to be to morrow's hanking figures. On Friday the pound was trading around \$2.27; compared with \$2.21 the week before and its \$2.31 the week before, and its trade weighted index was 72.4

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 2.8 per cent against the against 73.5.

THE FEELING that sterling had over 4.0 pound remained the week had between \$22.6 per leady yellow a fer mind from the had between \$22.6 per leady yellow and finished the week had between \$22.8 per leady yellow against the fining against

,4 .				
August 3	£	\$]	Note Rates
rgentina Peso	3114-3134	1370-1380	Austria	30-31
ustralia Dollar	2.0035-2.0135	0.8825-0.8870	Belgium	68.5.70.0
sazli Cruzeiro	. 60.20-61.20	25.50-25.95	Denmark	11.95-12.05
razli Cruzeiro inland Markka		3.8410-3.8430	France	9.60-9.75
reek Drachma				4.10-4.20
ong Kong Dollar		5.1520-5.1550	Italy	1,840-1,890
Tab Rial	163.08-169.87		Japan	495-505
tiwal Dinar (KD)	-0.683-0.683	0.2755-0.2756	Netherlands	4.50-4.60
Intempourg Fre-	65.40-65.50	29.27.29.29	Norway	11.40-11 55
Aleysia Dollar	4.8830-4.8930	2.1555-2.1565	Portugal	107-110
ew Zealand Dir.			Spain	147-156
audi Arab. Riyal.			Switzerland	3.70-3.80
Ingapore Dollar.	4.8775 4.8875	2.1542-2.1552	United States	2.25-2-28
the African Rand		0.8445-0.8490	Yugoslavia	44.5-46.5

et.	August 5				Note Rates			
of		3114-3134	1370-1380	Austria	30-31			
_	6	2.0035-2.0135		Belgium	68.5.70.0			
n-	Brazii Cruzeiro	60.20-61.20	26.50-26.95	Denmark	11.95-12.05			
	Finland Markka			France				
	- Greek Drachma	82.246.84.212						
nσ	. Hong Kong Dollar	11.68-11.70	5.1520-5.1550	Italy	1,840-1,890			
-	tran Dist	163.08-169.87		Japan				
ay.	River Risk Kiwell Dinar (KD) Lincombourg Fre	-0.683-0.683	0.2755-0.2756	Netherlands				
ш	Littlembourg Frc.	66.40-66.50		Norway	11.40-11 55			
ισ-	Maleyeis Doller	; 4.8830.4.8930	2.1555-2.1565	Portugal	107-110			
m:	New Zealand Dir.	2.2170-2.2270	0.9770-0.9810	Spain	147-156			
~~	Sandi Arab. Rival.	7.61 7.71	3.5600-3.5615	Switzerland	3.70-3.80			
пR	Singapore Dollar.	4.8775 4.8875	2.1542-2.1552	United States	2.26-2-28			
th	New Zestand Dir. Sandi Arab. Riyal. Singapore Dollar. Sthe African Rand	1.9170-1.9270	0.8445-0.8490	Yugoslavia	44.5-46.5			
15					الكريس التراث			
24	A Rate given for Argentina is free rate.							
-	全型基本工作。 1		-					
	· TUE	DUIND 4	EDAT AR	IN FORW	ΛBD			

K[. 2.2676-2.2530 2.2550-2.2700 0.55-0.65c pm	٠.	THE DOL		UI AND		NAKU		``	THE PO	שאטי אף	OI AND	r OH	WARD	
### 1.80-1.70 pm 2.68 ####################################			Close	Que month	% p.a.					Close	One month			7. p.a.
### 2.0955-2.9115	Pland!	2.0476-2.0580	2.0475-2.0525	- 1,25-1,05c pm	6,73	3.70-3.40 pm	6.92 .	Canada.	2.6610-2.6825	2.6635-2.6645	0.60-0.50c pm	2.48	1.80-1.70 pm	2.63
######################################	athind.	2.0095-2.0115	.2.0095-2.0115	0.53-0.43c dis	-2.86	1.65-0,95dis	-1.98	'Belgium	66.35-66.85	66,40-66,50	16-6c pm	1.99	45-35 pm	2.41 -1.09
10 86.07-86.19 88.72-66.19 175-225c.dis38.27 376-425dis -24.18 Spain 149.75-150.35 149.85-149.85 300.350c dis -26.07 725-825 dis -21.07 725-825	Suppose of the Control of the Contro	5.2815-5.2880 1.8313-1.8345	5.2850-5.2885 1.8313-1,8323	0.75-1,25ore dis 0.87-0,77pf pm	-2.27 5.37	5.00-5.50dis 2.14-2.04 pm	4.56	W. Ger.	4.15-4.19	4.154-4.164	31 ₆ -25 ₆ pf pm	8.29	83-73 pm	-3.25 7.57 -5.76
asics 4.2585-4.2685 4.2680-4.2625 0.04cpm-0.02 dist = 0.16 0.87-1.02dis = 0.88 France 9.557-8.721 9.651-8.552 21-1scpm 2.49 67-47 pm 2.07 veden 4.2085-4.2083, par-0.20er dist = 0.28 1.101-130dis = -1.14 5veden 9.54-8.52 9.54-8.55 2ere pm-per 1.28 47-27 pm 1.47 20.70-217.00 217.80-217.00 1.100.059 pm 5.07 2.80-2.65 pm 6.07 2.80-2.65 pm	xalo .	86:07-66:19 819,85-820.50	88.12-56.19 828.20-828,50	175-225c dis.	-36.27 -3.65	375-425dis ~ 8,5-10 dis	24.18 -4.51	Spain	749.75-150.35 1,859-1,872	149.85-149.95 1,860'1,861'-	300-350c dis % lire pm-1% dis	-25.01 -0.16	725-825 dis. 3-5 dis	-21.0 -0.86
pag 218.70-217.00 216.80-217.00 1.10-0.95y pm 5.67 2.80-2.65 pm 5.02 Jappa 490-497 4913-4924 3.65-3.40y pm 8.59 10.05-9.75 pm 8.05 13.289-13.405 13.389-13.389 5.90-5.00gro pm 5.06 13.5-12.0 pm 3.60 Austria 32.29-3.30-45 30.37-30.02 22-12gro pm 6.71 58-48 pm 6.97 vitz. 1.65/8-1.6905 1.6595-1.6905-1.45-1.600 pm 10.30 3.99-1.94 pm 9.55 Switz. 3.75-3.794 3.76-3.774 2-7-5 pm 12.74 17-113 pm 12.60 (10.5) 1.75-3.794 2-7-5 pm 12.74 17-5 pm 12.60 (10.5)	SUCE .	4.2585-4.2645	4.2600-4.2625	0.04cpm-0.02 dis	£.−0.16	0.87-1.02dis	-0.88	France	5.667-9.721 ₂	9.653-9.663	212-112c pm	2.49	53-41 ₂ pm	4.81 2.07 1.47
UK I related and Canada are numbed in 11.5 currency Forward premiums Balgian rate is for convertible france. Financial franc 69.00-69.10c pm.	12(1)B	218.70-217.00 13.289-13.405	216,80-217:00 13,389-13,394	1.10-0.95y pm 5.90-5-40gro pm	5.67 5.06	2.80-2.65 pm 13.5-12.0 pm	5.02 3.80	Japas Austria	490-497 30.35-30.45	4911-4921 30-37-30,42	3.65-3.40y pm 22-12gro pm	8.59 6.71	10.05-9.75 pr 58-48 pm	n 8.04 6.97
	me i	The state of the s												

	are a see of the	ROSS RATES							
í	August 5	PoundSterling V.S.	Dollar Deutschem'i	Japan'se Yen	FrenchFranc	Swiss Franc.	Dutch Guild'r	Italian Lire	Canada
(und Starling	0.441	70 4.160 1.888	492.5 215.9	9,863 4;268	3.761 1.660	4,563 2,010	1661. . 820.0	2.66 1.17
	Name of the last o	0.240 0	46.	118.5	2,323	0.906	1,097	447.4	0.64

August 5	PoundSterling	U.S. Dollar	Deutschem k Japa	an se You French Franc	Swiss Franc.	Dutch Guild'r	Italian Ura	Canada Dollar	Belgian Franc
und Sterling	0.441	2,270		492.5 9.863 216.9 4:268	3.761 1.660	4,563 2,010	1661. 820.0	2.664 1.174	66.45 29.28
Mitschemark Passes Yen I,000	0.240 2.031	0,546 4,610		118.5 1000. 29.53	0.906 7.654	1.097 9.269	447.4 . 3781.	0.640 - 5.412	15.97 155.0
Poor Franc 10	1:035 0:265	2,349 0,602		509.4 10 150.7 2,565	3,899 1.	4.722 1,211	192 6 . 494.0	2.757 0.707	68.77. 17.64
atch Guilder alian Ura 1,000	0.819 -0.537	0.497		107.9 2.118 264.5 5.192	0.885	2.452	407.9 1000,	0.584 1.431	14.56 35.71
anadian Dollar el san Franc 100	0.375	0:859 3,415		184.8 3.582 740.8 14.54	2.414 5.570	1,715 6,866	698,6 2801.	1. 4.009	24.94 100
Charles and the second				w 3570.			·	MANEY DA	TEC .

AUG. 5 Cert	lificata Interbank laposit	Authority ine	ponds .	House Deposits		deposits	Treasury Bills &	Bank Blils o	Trade Bills &
- Included the section of	5-134 - 131:1312 9-14 15-144: 9-14 14-144: 9-14 14-15: 1-15: 15: 15: 15: 15: 15: 15: 15: 15: 15:	153,-14 157,-141,5 14-141,5 141,5 151,5	15 145a 41a 1414 14 1314 31a 1318 35a 13 27a 1312	141e 141e 141e 141e 141e 141e 145e 145e	14 143	33-13% 13% 13%	15 15 15 15 15 15 15 15 15 15 15 15 15 1	14.14.14.5 14.19.14.5 13.15.15.15.15.15.15.15.15.15.15.15.15.15.	14½ 14½ 14½ 13%

				-;-	· · · · · · · · · · · · · · · · · · ·							
	`		5 3 C C -			100	and the same of		ASUS BURN	Ti bon-tores	least aucho	rity matgage
	انتما	MILITARIO		mark bou	LEDE SAUAT	LAVE TO	itice. Giner	2 Stann	0074 17800.	enilă-ieim	MCG1 BOULD	ura marijana
			L-diam in	INTER HAY			C131 Apr 64	ne Ave	V6275 - 73-73	a DOC. CORT.	ARank bill r	ates in table
w	HOM	una UV. Litu	SE VARIES	13-13- 00	IT CBNY 301	JC, Y03(5 I.	- 12 Their er	31140	***		h 'a d- h !!!	14
e !	muin.				Territoria i mare	an inc for	remonth bi	ark Dilis	In a her cen	ic tout mon:	a mece dilia	14 per cent
:	-47"	(, arás . I	er, printe	. paper, e	MAN GAN	mi mr. inn	4.07		: IWO-mon	rh 171_171_	SAF COST .	throp_month
	No are	zimete i	indian e	to the .	aa mamb	TIBBSTHA	2116 . 1J72	Bat com	4			three-month
L.			Schund 'S	170 101 0			A:IL: 141	143 BBf	COUNT IMO-	monta 14 ne	e cant and	វែវ៩១-៣០១៤
	1901	CONT. AD	COUNTRAL	e'ratas to	A oue wo	NTN DERK.	Ding in F.	' A F	1F CDD41 ' 88	d about a man	ab 447 :	three-month
٠,	1711				1. D. 143.	MAR CART-	nun month	14 17	31 -3414 80	d tores me	nu prajipe	2.0KI.
٠.		441.430	C. COLUMN	Man trains	1 OHO 1972	No.		- 4 45	ation lehi or	er-cant from	August 1 1	179. Clearing
	סמפחד	n Hrusei	Read R	eree Ynitt	olished by	the Final	JCG_ 510U3C	A MOSAL	7,		Jenete 1, 41	79. Clearing
'nĿ	. n		Final II	RIPOL OF PAR		lare' actic	- 111-17	ner cent.		1854 - H2568 - 1	or landing	14 per cent.
		ULTT - 80 UNA	C. TITT	ит импе	AT.ABVBN C	EYE. HUUL						14 per cent.
ВΑ,	Sen	محم المنايا	witness bate	das . entes	- of discou	INI 13.3052	par cent				• • • •	
	- 4		mhann Tele	APP 100						~		

	598.5 1 2801. 4		24.94 100
	MON	EY RATE	3
•	NEW YORK Prime Rate Fed Funds Treasury Bills (Treasury Bills (13-wesk)	
	GERMANY Discount Rate Overnight Rate One month Three months Six months	pada provincia de la compansión de la comp La compansión de la compa	6.20 6.375 6.96
	FRANCE Discount Rate Overnight Rate One month Three, months Six months		10.375 10.5625 10.6875
.:	JAPAN Discount Rate Call (Uncondute Bills Discount (t	nnai)	5.25 6.625 7.0
-			•

SUE	These securities having been sold, this announcement appears as a matter of record only.

U.S. \$40,000,000

Genossenschaftliche Zentralbank Aktiengesellschaft -



Floating Rate Notes Due 1989

Credit Suisse First Boston Limited

S. G. Warburg & Co. Ltd.

Kidder, Peabody International Limited

Bank of Tokyo (Holland) N.Y.

Dillon, Read Overseas

Corporation

Berliner Handels- und Frankfurter Bank London & Continental

Bankers Limited

Crédit Commercial Manufacturers Hanover

Limited

- · - · DG Bank A. E. Ames & Co. H. Albert de Bary & Co. N.V. Bank für Gemeinwirtschaft Bankers Trust International Bank Gutzwiller, Korz, Bungener (Overseus) Banque Générale du Luxembourg S.A. Banque Privée de Gestion Financiers Commerzbank Compagnie de Banque et d'Inve Crédit du Nord Daina Europe N.V. Credit Suisse First Boston (Asia) Effectenbank-Warburg

DG Bank International S.A. Die Erste Österreichische Spar-Casso Fuji International Finance European Banking Company Goldman Sachs International Corp. Hambres Bank Hill Samuel & Co. Jardine Floring & Company Kansallis-Osake-Pankki kathrein & Co. Kleinwort, Benson Istituto Bancario San Paolo di Turino Kretisthank N.V. Kredictionak S.A. Luxembourgeoise Knim Loeb Lehman Brothers International Lazard Brothers & Co., Lazard Frères et Cie McLeod Young Weir International Merrill Lynch International & Co. Samuel Montagu & Co. Lioyds Bank International Morgan Grenfell & Co, Morgan Guaranty Ltd., Morgan Stanley International Nederlandsche Middenstandsbank N.V. The Nikko Securities Co., (Europe) i.i.d., Nippon European Bank S.A. sichische Länderbank A.G. Nomica Entope N.V. Rothschild Bank AG

Pierros, Heldring & Pierson N.V. N. M. Rothschild & Sons

Societé Bascaire Barclays (Suisse) S.A. Svenska Handelshanken Swiss-Bank Corporation (Overseas) Vereins- and Westbank

Williams, Glyn & Co.

Schöeller & Co.

Smith Barney, Harris Upham & Co.

Legal dilemma in an international contract

BY OUR INSURANCE CORRESPONDENT

day tourists may seem to outnumber lunchtime workers. August provides time to take a few deeper breaths, watch some of the dust settle, and

For British lawyers and insurers grappling with the evolving complexities of EEC harmonisation, compulsory leisure-time reading was pro-vided last Thursday by a work-ing group of the English and Scottish Law Commissions on the esoteric subject of Choice of Law Rules in the Draft Non-Life Insurance Services

Several years have clapsed since that directive was first mooted and probably three more will pass before the final and undoubtedly much compromised version is produced. Even then, another 18 months will elapse before the directive has to be incorporated in our law.

is dauning. Present arguments, even when they lead fairly quickly to firm decisions, cannot be expected to have much impact this side of 1984. On the other hand, such is the process of negotiation that. once firm decisions have been taken on particular aspects, it is difficult, even in the light of subsequent developments, to

Thus the resolution of current arguments on choice of law examined and, if possible, re-rules, perhaps early in 1980, is solved before either side has to likely to set the pattern for the rush into print. The rule should latter part of the 1980s and on into the following decade.

The rule should be for the maximum consultation before publication.

Any transaction across frontially involves two or more legal systems. In that respect, insurance is no different from any other service.

tion is provided by the question facing the British owner of a French holiday home who buys insurance here in London. Which law is to apply to the contract and to any servicing of claims that are made? English law

THIS IS the time of the year isting protectionist and restric-THIS IS the time of the year when the pace and clamour in most of Europe's capitals and commercial centres diminish: when even in London at middle day tourists may seem to outfreedom.

Without going into fine detail, it is interesting, indeed pleasing, to see that the Law Commission's working party has come down firmly against the latest Brussels draft of choice of law rules and is arguing in terms not dissimilar from those used by insurers themselves.

The working party has of course consulted insurers, but experience has shown that such consultation does not always breed identity of views.

One has only to read the criti-British insurance law made in the Law Commission's working paper 73 on non-dis-closure and breach of warranty, and then to read insurer's sub missions to the Law Commission, to see how far apart their minds may be on particular subjects.

Differences of emphasis and opinion inevitably arise from time to time; even perhaps For negotiators the time-scale downright disagreements be-s dounting. Present arguments, tween British insurers and such bodies as the Law Commission.

> Where those differences are of domestic consequence only, publicity presents no setback, but where they may influence the stance of British negotiators in Brussels, provide ammunition for European critics of British proposals and, ultimately, harm Britain's overseas trading posi-tion, it is surely essential that those differences are thoroughly

As it is, the Law Commission tiers, he it for the sale of goods or the supply of services, potenmer to reconsider the views expressed in its working paper 73 and to decide what views it should put forward in its final report on another EEC draft Perhaps the simplest illustra-ion is provided by the question of laws, regulations and administrative provision relating to insurance contracts. Insurers must be hoping that

when the commission's report on that is published in late

APPOINTMENTS

Harveys of Bristol group executives

managing director of Cockburn Smithes and Cia. Ltda., Contu., have been appointed director. Smithes and Cia. Ltda., Conto., have been appointed directors of the parent company, HARVEYS OF BRISTOL. Mr. Ferguson has been elected a director of John Harvey and Sons (Portugal) the Harvey and Sons (Portugal) the holding company of the group's interests in Oporto. Dr. Filipe will join the Board of John Harvey and Sons (España). Mr. Ferguson and Dr. Filipe will continue to be based in Jerez and Oporto respectively. Oporto respectively.

Mr. M. J. Hudson has joined CHARLES WADE AND CO. as joint managing director.. He was previously commercial manager, BSC Plates, British Steel Cor-

Mr. Geoffrey Bell, formerly deputy managing director of Iran Overseas Investment Bank, London. has been appointed general manager of the EUROPEAN AMERICAN BANKING CORPORATION'S new branch in

Luxembourg.
This is the bank's first branch in Europe, and it will specialise in foreign exchange, currency consulting and Eurocurrency markets. The bank is part of the European American Bank Cor-poration, the 27th largest bank group in he U.S.

Sr. Claudio Boada has been appointed chairman of BANCO DE MADRID and of its industrial bank, BANCO CATALAN DE DESARROLLO.

JOHN MENZIES (HOLDINGS) has rearranged its divisional management structure. The wholesale division comprises: Mr. T. P. Callaghan—managing director: Mr. D. J. Mackay— operations director; Mr. A. D. Brown — financial controller. Regional directors are: Mr. R. H.
Brizell — Scotland; Mr. W. L.
Blair—Northern and Mr. W. L.
Dalrymple—Southern. The retail
division consists of; Mr. P. A. C. Richardson-managing director; Mr. R. Black-director; Mr. A. J. Bevan-operations director; Mr. A. N. Burns, financial controller and Mr. M. R. Lane-merchandis-

Mr. James Ferguson, managing appointment as Director director of John Harvey and (Appleton) in the combined Sons (España) Jerez de la Appleton and Rutherford Laboratories, and Dr. Antonio Filipe.

COMMON BROTHERS has made the following group changes: Mr. J. W. Common has

been appointed chairman and Mr. G. A. Common, managing director of Hindustan Steam Shipping Company. Mr. E. B. Hobson, Mr. M. W. Latham and Mr. A. P. McMullen join the Board of that company. At South Docks Supply Company. Docks Supply Company, Mr. A. C. Griffiths is chairman and Mr. A. Adams, Mr. J. B. Bunnis and Mr. D. J. Sterrett, directors.

Mr. F. J. Randall has been appointed group financial controller and Mr. S. J. Ball, treasurer, of UNITED DOMINIONS TRUST.

Mr. M. I. R. Dickson has been appointed managing director of ROXBURGH HENDERSON, the forwarding and travel agency at Glasgow of OCEAN TRANSPORT AND TRADING. He succeeds Mr. L. A. Lyall, who is to retire next year. Mr. Lyall continues as executive chairman of Roxburgh Henderson.

TEL AVIV	EurCon Gist-Bro Heinek
Prices Change Company Aug 5 on the 1973 week	Hoog'ns Hunter
Bank, Insurance and Finance Bank Leum: le Israel 413 + 4.0 IDB Bankholding 488 + 5.0 Bank Happolim Br. 509 + 5.0	int Mul Nat Ned NedCr
Bank Maponism Br. 509 ± 5.0 Union Bank of Israel Br 424 ± 2.0 United Mizrah Bank 297 ± 4.0 Hassneh Insurunce Br 303 = -17.0	NedMid Oce (FI Van On
Gen. Mortgage Bonk Br 306 — 5.0 "Telahot" Israel Mrtge 311 — 17.0	Pakhoe Philips RunSch
Land Development Af. Israei Inv. (IE103) . 945 - 15.0 Israel Land Develop, Br. 188 + 6.0 Property and Building 375 - 8.0	Robeco Rodani Rolinco Rorento RoyalDi
Public Utility Israel Electric Corp 240 -22.0	Slavent Tokyo P Uniteve Viking
Investment Companies. Bank Leumi Invest. 329 — 60 : "Clai" Israel Invest 570 — 2.0	Volker West.U
Commercial and Industrial Alliance Tyre & Rubber 1,232 +67 0 Stop Rr 274 - 9 0	VIENN
Argamen Toxtele Br. 440 -190 Ata Textele Br. 1595 - 05	Au
Amer, Israeli Ppr Mills 810 - 25 0 Assis 485 + 8 0 Einte 465b + 7 0	Credita Perimo Selecta
Teva Reg 561 - 6.0	Sompe

Indices

NEW YORK-	OOW JONES			٠		
		laria i	19	79	SinceCo	mplit'n
Aug. Aug. 1	Aug. July July 1 31 30	27	High	Low	High	Low
♦ Industr'is 848,16 847.95 8	150.34 846.42 838.74	839.76	(10/4)	887.00 (27/2)	105 1.70 1 (11/73)	41,22 (2/7/82)
H'me B'nds 85.86 85.99	85.90 85.78 85.51	85.59	85.95 (2/8)	62.82 (8/5)	-	₹:
Transport. 254.97 256.63 2	58.72 254 <u>-</u> 58 252 .09	251.78	256,72 11/81	(27/2)	1 279.88 ¹ 117/2/68) i	12.23 · (8/7/52)
Utilities 168,62 108.15 1	08.49 108.86 108.02	108.15	108.80 (81/7)	98,51 (15/5)	163.52 (20/4/65)	. 10.58 (28/4/42)
Trading Vol 28, ISB 57,779 8	8,650 34,480 28.660	27,800	- ·	-	-	-
◆ Day's high 850.51 low	B42.32				<u>.</u>	
	July 27 , J	uly 20	. July	13 Ye	ar ago (a	approxi
Ind. div. yield %	5.75	5.83	5.76	3	5.47	
STANDARD AND POORS						

1	-	•	-	-	••					
;industis			:				9/1: .	127/23	(11/1//0)	1981010X
5Composite 194,04 194.10			104.17 105.81 103.16 103.10		917) (27)		125-85 (11/1/75)	4.48 (1/8/52)		
		-	j Au	g. I	July 2	5 j	July 18	Y	ear ago	approx
Ind. div. yield %		5.22		5.22 5,34		5,82		4.76		
Ind. P.E Ratio			8.	07	7.99	\neg	7,87	_ _	9.78	3
								_ _		

Aug.	M. T.S.E. ACE OF		. rugrv	
Aug.		1979	Sevent Traded : 1 859.	1 871 1 000
59.35 59.36 59.36 59.14 59.36 53.88 Unchanged 453 395 4 120 120 1	Aug. Aug Aug July	II ala i Tare	Rises 657	1. 821) and
MOSTREAL Sp. 56 Sp. 88 Sp. 88 Sp. 89	3 . 2 1 31	High Low	Falls 742	655 Esn
MOSTREAL Aug. Aug		CO 25 53 88	Unchanged 453	395
MOSTREAL Aug. Aug. July 31 High Low	59.33 <u>59.3</u> 5 59.36 59 <i>.</i> 14	29.50 25.00	New Highs 70	120 103
Aug. Aug. Aug. July Sept. 1 31 High Low	1	(1/01 (-1/0)	New Lows 4	7 4 2
Industrial 259.93 292.25	<u> </u>			
Industrial 259.85 282.25 282.24 285.57 278.19 (25/8) 278.18 (2)	MANTO FAT.			1979
Industrial 259.95 292.25 292.24 285.57 278.18 229.68 325.28	MONINGER .	Aug. Aug. Ai	ig i July ·	`````
TORONTO Composite 1557.8 1569.9 1558.1 1518.6 (29/8) 1518.2 (29/8) 1518.6 (29/8) 1518.6 (29/8) 1518.6 (29/8) 1518.6 (29/8) 1518.6 (29/8) 1518.6 (29/8) 1518.6 (29/8)	-	3 2 :	I 31 High	l low :
Combined 281.28 222.48 265.12 276.18 (296) 225.88 (2)	-	000 OF: 00	0 84, 005 E7, 070 10 (96/d)	0.00 10 10
TORONTO Composite 1557.8 1569.9 1558.1 1518.5 (29.8) 1518.9 (2) TORONTO Composite 1557.8 1569.9 1558.1 1518.5 (29.8) 1518.9 (2) TORONTO Composite 1557.8 1569.9 1558.1 1518.5 (29.8) 1518.9 (2) Gold 266.5 287.3 286.6 291.4 308.4 (25.6) 228.4 (17.6) Aug. Pre- 1979 1979 Aug. Prev- 1979.5 1979.		223-30 Sex 50, 50	0.49. 382 22276 12. (29)8i	270,12 (2)]
Total				
Total	TONOREO OLINO	1557.8 1560.9 15	58.1 1555 1 1518,5 (29.8)	1 1515.9 22/17
Aug. Pre- 1879 1879 3 vious High Low 8 1979 4 1979 4 1979 1979 4 1979 4 1979 1979 4 1979 4 1979 1979 4 1979 1979 4 1979 1979 4 1979 1979 4 1979 1979 4 1979 1979 4 1979 19	TORONIO COmposite	·		
Aug. Pre- 1979 3 vious High Low 85.92 84.86 11/3; 318.1 301.8 428.5 210.6 (27.5 1979 3 vious High Low 8.	TOW & WEERING	1 : :	خئى دارى خ	.
Aug. Pre- 1979 1979 Aug. Prev: 1979 1 Aug. Prev:	Cold		86.6. 291.4 308.4 (25/6)	228.4 (17.4)
Aug. Pre- 1879 1 1979 3 vious High Low 6. love high Low 6	Industrial	517.0 518.6 6	17.7 51621 550.8 (26. 5) .	. 1 270.5. (2FT)
Selgium (71 198.18 198.75 199.00 98.80 (67)				
Selgium (71 198.18 198.75 199.00 98.80 (67)	Aug. Ph	in Mak. jum in Tala Tala	Aug. Pr	PA- 18/8 1971
Selection (7) 198. 18 188.75 180.00 188.80 189.00				ne : unau : rom
Selection (7) 198. 18 188.75 180.00 188.80 189.00	See 17 Eq.	82 597.68 545.72	Shein (d) 95.92 84	D8 / 111 96 . or '-
Selsium (2) 198-18 186-16 186-1				1 18/4 - 17/2
Denmark 1 26.58 98.50 97.45 83.2 (25/7) (8/1) France (11) 87.2 98.5 87.3 11.5 (15/2) Germany (2) 765.7 765.8 83.6 719.4 (16/1) Holland (15) 76.4 74.9 25.9 71.3 (16/1) Holland (15) 76.4 74.9 25.9 (16/1) Holland (16/1) 76.4 26.9 (16/1) Holland (16/1) 76.4 26.9 (16/1) Holland (16/1) 76.4 26.9 (16/1) Holland (16/1) 76.4	Poloico /2, 188 18 185	73 190.00 98.80	Sweden (r) 551,00 850	200 (QUIL 36) 3 (Cr o
Semmark Se. Sec.	•• -	. (0(1) :- (274)		. (MEZ) POGE
France (iii) 87.2 98.5 (37.5) 11.5 (11/7) (15/2) Dec. 1933. SS Amsterdam India Sermany (22) 765.7 765.8 82.4.6 (19.4) 1970. 1914 lang. Seng Sank 347. (18/11. (7/6) 1970. 1971 lang. Seng Sank 347. (18/11. (7/6) 1970. 1970	Denmark (** 95.58 96.		Switzerid(/) 515.4 Bi	8-5 363 1 296 1
157 1562 1563 157 1562 1563 1564 1565				(245) (34)
18	France (+1) 87-2 66		D- 1007 EF A	redicas - 1 - 2
Banco Commerciale Italiana Find Commerciale Italiana Italia			torn 44 Upper Con-	Bank Artelli
Comparison Com	Germany (‡‡) 765.7 👫	3,5 0,550 D.T	is to the commercial	Italiana sha
Color Colo	Delland 114 76 4 74	9 85.9 71.3	2 Tokyo New SE 4	1/88 6
Hong Kong S08.58 Closed 693.40 493.63 28/12/78. a Stockholm Industrigity 1 1 1 1 1 1 1 1 1		(200-14.) ((702)-	Times 1988. C Close	L O Madrid &
Section Color Section Sectio	Hong Kong 108.58 clos	end 621.40 493.83	.29/12/78. a Stockholm	Industrial 1/1 se
Second Prince Second Princ	••	tour term	/ Swigs Bank Corpora	tion. u Upavir
Ispan	taly (11) 82.94 83	.55 &3.74 68.38	able.	Sec. 15.
(31/1) (13/1) Singapore, 4) 785.88 684.41 604.13 548.34 Indices and base dates (all base rathers 100 except NYSE All Common—30; Standards and Poors—10; and Coronto 300—1,000; the last named Beach Aircrett 318,300—1,000; the last named Beach Aircrett 318,300—234, 2400 industrials, 8400 industrials, 8	=			
Stocks Closing	lapan. 147.80 445	.85 462.97 435.13	PIDAY'S ACTIV	E STOCKS
Indices and base dates (all base values 100 except NYSE All Common—50; Standards and Poors—10; and CAA. Financial 330,700 14 coronto 300—1,000; the last named Beach Aircret 318 300 13 except on 1975). Excluding bonds: Southern 28,700 13 expect on 1975). Textuding bonds: Southern 28,700 13 expect on 1975, and Finance and 20 Transport. Tandycrafts 287,400 51. Tandycrafts 287,400 51. Tandycrafts 287,400 55. Tandycrafts 38,000 28 except page 51,777. MGIC Investmit 264,300 315.		(31/1) (13/7)	INDAFA USIII	
Indices and base dates (all base Bally Mfg	Singapore (4) 785.88 684	.4) 4UP L3 340.34	. Stock	s Closing on
Indices and base dates (all base Bally Mfg	<u> </u>	[20]0]- [20]2]	frack	d Drice di.
Allues 100 except NYSE All Common— 0; Standards and Poors—10; and CAA Financial 330,700 14 10; Oronto 300—1,000; the last named Beach Alcrett 315,300 234 10; All Common—10; and Beach Alcrett 315,300 12 10; All Common—10; and Beach Alcrett 315,300 12 10; All Common—10; Al	hadiana and been a	lates fall hass	Bally Mig. 436.1	00 407
50; Standards and Poors—10; and CRA Financial 330,700 14 forento 300—1,000; the last named Beach Alcrest 318:300 234, assed on 1975). † Excluding bonds: Southern 296,700 13 † 400 Industrials. § 400 Industrials, 40 Hillitids, 40 Finance and 20 Transport. Tandycratts 287,400 54, I Sydney All Ordinary. Belgian SE Texaco. 280,800 28; Sydney All Ordinary. Belgian SE Texaco. 280,800 315;	Though and page (TALL COMMOD—	Exam 403.9	XI 542
pased on 1975]. † Excluding bonds: Southern	reius lou sacopi Niji	Poors—10: and		20
based on 1975]. † Excluding bonds: Southern	T	he last named	Beach Aircraft 318,30	XO 239
Utilities, 40 Finance and 20 Transport. Tanayoras	hased on 1975). † E	xcluding bonds.	Southern 296.7	10 T3
Utilities, 40 Finance and 20 Transport. Tanayoras 20,500 28.	400 Industrials. § 400) industrials, 40	Am. Tel., & Tel. 290,60	0 57,
Sydney All Ordinary. Belgian SE Texaco 280,500 28	Hailieine AA Sinones an	nd:20 Teanscort.	Tandycrefts 287,4	10 54 41
s kis kesi da Comunhanan SF 1/1/22 MGIC Investmi. 404.340 Jes	VIGITARY ALL CINETY	. Il Belgian SE	texaco 280.0	n 72
it Paris Bourse 1961, ## Commerchank ISM 261,230 . 68/4	つくパッパン ききじゅつあのりか	000 SE 4/1/4".		
	tt Paris Bourse 1961.	# Commerzbank	. IBM 251,21	XO 687
والمرافقة والمنافقة والمنافق و	تتحب يفقسه ويوري وأحسو	سندر بالمساور	سست ساجيستي ي	

EUROPE

		المستقل أأفري وبالقاف والمنبوس تربيبي والمروا فتنوي	
TERDAM	BRUSSELS/LUXEMBOURG	SPAIN V	TOKYO ¶
Aug. 3 Fis. — B S	Aug. 3 Price + or Fre. Yid.	August 3 Per cent	Prices + or Div. Y
(F1,20) 88.30.2 322 5.0 (F1,20) 28.6 + 0.9 (Bk (F1,100) 334.5 1.0 A25 7.5	Arbed	Benco Exterior 254	Asahi Glass 345 +1 14.12 Canon 583 +1 12.77
(F1,10)	C.B.R. Gement1,090100 9.2 Cookerill	8: Granada (1,000) . 134	Chines 510 +3 20 x
W'stm/F110. 106.5 + 1.0 85 8.0 m' Tetter . 61.4 + 0.1 27 8.9	Electrobel 6,480 455 6.9 Fabrique Nat 3,330 250 7.5	Banco Madrid	Hitachi 249 145 18 18 18 18 18 18 18 18 18 18 18 18 18
r-NDU(FI20 270.5 + 3.5 bs40 2.9 t N.V. B'rer 134.8 + 0.9 40 5.9 tmTst(F110 70.7 94.5 4.9	G.B. Inno Brn 2.650	Banco Vizcaya	House Food
Froc (FIO 42.9 - 0.4 22 5.2 (ken (FI25) 85.1 + 0.5 14 4.1 (ns (FI.20) 32 + 0.5	Hoboken	Espanola Zinc	JA1 2.900 +20
orD.(F).100 25.3 1.2 4.7	La Royale Beige 6,300 —10 3325 5.2 Pan Holding 3,030 +10 82.60 2.7	Hidrola	Komatsu 275 41 15 9
uller:F(.20, 35.5 + 0.6 19 10 9 led (nsF(10, 110.4 - 1.9 55 5.0 r'dBkF(.20 57.9 + 0.2 22.5 7.8	Petrofina 5,000 +110 190 3.8 Soc Gen Banque 3,175 +35 220 7.0 Soc. Gen. Beige 1,850 140 7.5	Patroliber 85 -1 129 -1 Sogefisa 122 xd	Kyoto Ceramic 5, 296 20 55 10 Matsirihita Ind. 640 1 20 1 Missirihita Bank 551 141 10 1
lidBk(Fl.50 215.2 ÷ 0.4 24 5.5 Fl.201 157.2 ÷ 0.5 38 4.9 Ommeren 201 — —	Solina	Teletonica 67 - 1 Union Elec 64 + 0,50	Mitsubishi Elec. 179 11 12 3
ned (Fl.20) 55 +1 s (Fl.10) 24.4 +0.3 18 7.0 hVar(Fl 0s 40.8 +0.3	UCB	1 (11	34 Name 2 Co 320 42 14 20
20 (F1.50) 165 +0.5 26.4 8.0 mcg (F1.25 104.1 +0.1 3 11.5	COPENHAGEN *	STOCKHOLM	Nippon Denso 1,270
co (FL50), 136.5 + 0.8 s - to (FL50), 110.8 - 0.4 + 19.3 4.8 Dutch F120 147.3 + 1.3 61.75 7.3	Aug. 3 Price + or Div. Yid.	Aug. 3 Price + or Div. Yid Kronot - Kr. %	Pioneer
nburg 258.6 — 1.0 21.5 9.0 Pac Hids\$ 151.8, — 0.1 \$0.50 0.5 ver (Fl.20).: 131 + 0.7 44 6.8	Andelsbanken 1593, (12 7.9	AGA AB (Kr. 40). 172	Sony
g Res	Danske Bank 12034 12 9.9 East Asiatio Co. 131 -12 10 7.7 Finansbenken 164 +12 16 9.8 Bryggerier 301 -2 12 4.0	Atlas Cop. Kr25, 78 +1 5.8 7.4 Billerud	Takeda Chem 450 +8 123 TDK
INA	Bryggerier 301 —2 12 4.0 For Papir 108 — — Handelsbank 1203 — 12 9.1 G Nthe H (K-90) 311 +1 12 7.5	Cardo 158 +4 6.5 5.8 Cellulosa 122xo -1 +5.5 4.5	Teijin 140 4 10 1 Tokyo Marine 513 +5 11 1 Tokyo Elect Pow 919 8 10
Price +or Div. Yid.	G Nthn H (Kr90) 311 +1 12 3.5 Nord Kabel 175 -12 12 6.8 Novoind stries B 218 +212 10 4.6	Elec lux B (Kr50 105 +1 6.25 6.0 Ericsson B (Kr50 126 5.5 4.4 Essette (Free) 156 -4 6.5 3.5	Tokyo Sanyo 508 +3 1227
tanstalt 336 10 '2.9	Oliefabrik	Fagersta	Toyota Motor 865 +3 20 1
ta 562 38 8.6 erit 77 — —	Provinsbank	Marabou	Source Nikko Securities, Tokyo.
Daimler/ 207 9 4.4 Vegnesit/ 290 +5 10 : 3.5		Sandvík B'Kribe 218 +1 6.50 2.8	

'SinceC'mpil'tn

	utumn, man) current differ-	ing director.	Sico Br	Aug. 3 2 - 2 2	Nord Kabel 175 -12 12 6.8 Novoind stries B 218 +212 10 4.6	Erioss Essett
law, provided that that choice is clearly expressed. But there has	na mat diereartei british	The SCIENCE RESEARCH COUNCIL states that Professor	Amer. Israeli Ppr Mills 810 - 25 D Assis 485 - 8 0	Creditanstalt 336 10 2.9 Perimooser 276 9: 3.2	Privatbank 1814 13 9.9	Fager Grang Hande
a ground of contention, for many P European countries wish to re- a	o present, on that aspect also. reasonably united negotiating	Atmospheric Physics, Oxford	Teva Reg 561 - 6.0		Soph Berensen. 32212 - 212 13 - 4.0 Superfos 15212 - 34 12 7.9	Marat Mo Oc Sandy
tain so far as possible their ex-		University, will take up his	Tot Av.v b E.d	T VBIC MADITEDICAL 250 TO 10	GERMANY +	S.K.F. Skand Tanda
WALL STREET			· · · · · · · · · · · · · · · · · · ·		Aug. 3 DM. — 2 2	Volvo
KEW YORK	1979 Aug. High Low Stock 3	1979 Aug. High Low' Stock 3	High Low Stock 3	19 79 Aug. High Low Stock 3	AEG	:
. High Low Stock 3	45% 31% Control Data 45 59 46% Cooper, Indus 58%	26% 25 Johns Manville . 261, 7714 6712 Johnson Johnson 7215	59 37 s Revion 4814 39 s 2412 Heynolds Matals 34 62 55 s Reynolds R.J. 6114	2138 1434 Williams Co 2038 2638 2354 Wsconsin Elect. 2539 50 1914 Woolworth 2534	BASE 137.8 -0.3 18.76 6.8	SWIT
36 30's Abbotts Lab 35's 24's 15's AM International 15's 34's 21 Adobe Oil & Gas. 35's	75½ 52¼ Corning Glass 59¼ 55¼ 48% CPC intrination 1. 54% 34½ 25½ Crane Co 34	515a 25 Johnson Control. 2773 235a 1555 Jostens 1958 3555 2952 Joy Manufacturg' 55	31 1913 Puch son Merrell 2414 4013 26 Rockwell Inter 3813	64 4 Wyly 55s 643, 585s Xerox 645s	Bayer	·
36 25 2 Actna Life & Ga., 52 3 34 25 4 Arr Products. 54 38 32 3 Alcan Aluminium 33 4	3614 2414 Crocker Nati 5414 4112 31 Crown Zellerb h. 3656 3856 3214 Cummins Engine 3414	277g 203g K. Mart 26 2114 1712 Kaiser Alumini m 1814 24 2 Kaiser Industries 21g	45 28's Rohm & Haas 45 40 28's Rohm 32's 76's 54's Royal Dutch 73's 12's 9's PTF 10's	21 1362 Zapata	Control Gummi	Alumi BBC ·
, 56% 46% Alcoa 51 23 15% Alleg, Ludium 23% 18 15% Allegheny Power 17%	165 ₃ 131 ₈ Curtiss Wrigth 151 ₃ 235 ₈ 261 ₉ Dana 271 ₂	40% 20% Kaisor Steel 39% 18% 12% Kaneb Services 17%	1258 95 RTE 1012 1078 91 Ross Togs 10 303g 1314 Ryder System 2114	854 77% USTreas419,75,85 18314 9.462 8.762 U.S. 90 day bills. 9.379	Degussa	Do. P
56 2812 Allied Chemical. 3619 2512 31 Allied Stores 2439 3714 29 Allis Chalmers. 3612	46 381g Dart Industries 451g 40 3314 Deere	25: 21 Kennecott 23: 59: 45!4 Kerr McGee 55!s	46 34% Safeway Stores. 37% 32% 21% St. Joe Minerals. 28%	CANADA	Dresdner Bank 214 -0.2 28,12 6.6! Dyckerhoffze't. 156 +4 12.5 4.0 Gutehoffnung 210.5 -1.3 18.75 4.5	Credit Electr Fische
57 571 AMAX 39 481 2512 Ameriada Hess 39% 1451 1014 Amer. Artines 1214	174: 144 Dentsply Int. 154 154: 134 Detroit Edison 144 264: 194 Diamond Shmrk. 254	351a 28 Kidde Walter . 543a 483a 433a Kimberley Clark. 431a 231a 16% Koppers . 231a	46.2 29.2 Santa Fe Inds 47 9 Sia Saul Invest 812	19 to 17 Abitibi Paper 18se 8 to 5 a Agnico Eagle 7	Hapag Lloyd	Hoffm Do:
65'- 48': Amer. Brands 65'- 45': 32': Amer. Broadc'st. 44':	141. 818 Di Giorgio Corpn., 115. 57:4 5018 Digital Equip 57 41:4 33 Disney Walt. , 5954	48 s 45 : Kraft 48 2 25 19 Kroger Co 23 4 22 2 19 4 Leaseway Trans. 21 1	80 42% Schlumberger. 77%	451 ₈ 373 ₈ Alcan Aluminium 39 301 ₂ 261 ₄ Algoma Steel 27 52 1401 ₂ Asbestos	Hossch	Jelmo Nestie Do.
1 411 ₂ 55 [Amer. Can	29 2478 Dow Chemical . 2814 32 2378 Dravo	551: 381: Levi Stranss 551: 281: 241: Libby Ow. Ford 27: 40: 321: Liggett Group. 381:	304 1519 SCM . 2791 1996 1239 Scott Paper . 1711 21 175 Scott Mrg. 1849	275 ₈ 221 ₈ Bank Montreal 243 ₄ 251 ₂ 22 Bank NovaScotia 24 25 207 ₄ Bell Telephone 211 ₈	Kali und Salz 137 - 1 1 65 5.7 Karstadt 258 - 1 23.44 4.5 Kaufhof 196 25 6.5 Klockner DM. 189 73 - 0.9	Oerlik Pireli Sanda
23 19: Amer. Elect.Pow 21 3 36: 28: Amer. Express. 54: 30: 24: Amer. HomeProd 28:	5014 35% Dresser	56: 47': Lilly Eli. 56'. 33': 16': Litton Industries 35' 24: 18': Lockh'ed Aircrit 24':	9m 6/3 Scudder Duo Cap 9/2 363a 15 ³ 1 Sea Containers 19-3 34 ³ 4 23 ³ 2 Seagram 28 ¹ 2	303s 2034 Sow Valley Ind 2834 2914 2014 BP Canada 271s	KHD	Do. 1 Schin
1 341, 241; Amer. Medical : 31 91, 45; Amer. Motors	912 71s Eastern Airlines. 854 665; 531; Eastman Kodak 541; 425; 343; Eaton 417g	25: 21 • Lone Star Ind sts 25: 18: 15: Long Island Ltg 17:	16's 10's Searle G.D. 14's 28's 18'. Sears Roebuck 18's 35's 26's Security Pacific, 32's	25 t 1873 Brascan 2214 46 5973 Calgary Power 4574 16 1214 Camflo Minos 1514	Linde	Suizer Swise Sw.Bk
52: 39's Amer. Standard, 52's 58'; Amer. Stores, 28's 64'; 57' Amer. Tel. & Tel. 57's	371; 2714 E.G. & G 3714 211; 1512 E.Paso Nat. Gas. 2112	49' 42 Lubrizel 45'2 17 14 ; Lucky Stores . 15 ;	48:4 24:4 SEDCO	1414 10 Ganada Coment 13 1414 911 Can. NW Land 1211 2214 17 Can. Perm. Mort. 1859	M.A.N	Sw.Re Union Zurich
40 29 Ametek , 59 181 15 AMF . 18 58 39 AMP . 56 /	511, 24% Etria 51 38% 32% EmersonElectric 34% 22% 175; EmeryAirFreight 31%	381: 35 Macy R.H 57:: 37:: 311: Mfs. Hanover 37:9	31 19.5 Signa 31.3 38.6 28.6 Signode Corp 35.3 14.3 84 Simplicity Pat. 11.4	354 25% Can Imp. Bk. Com 264 1244 201, Canada Indust123 346 234 Can. Pacific 321	Metaliges 252 12.5 2.4 Munchener Rck 592 .2 28.12 2.4 Neckermann 162 +2.5 Preuss gDM 100 164.2	
16% 14% Ampex 15 30% 16% Anchor Hocking. 17 27% 21% Anheuser Busch., 23%	373 33 Emhart 36:6 3 2 E.M.I 2:4 39:4 28:2 Engelhard 33:5	36 . 264 Mapco 543; 404 344 Marathan Oil 365; 19 14 Marine Midland. 185	24:: 12:3 Surger 14:5 57:: 50!2 Smith Inter 56!2 51!1 23!2 Smith Kline 43!4	25 2512 Can. Pacific Inv 3014 147 71 Can. Super Oil 1137 612 4.70 Carling O'Keefe. 534	RheinWestElech 183.7 - 0.5 25 6.8 Schering	AUST
251: 19% Armoo. 251: 28	271 24 Esmark 25% 28': 22'4 Ethyl 28 55': 48': Exxon 56!	201 15:; Marshal Field., 17:- 68:: 59:: Marsh McLennin 60:, 27:: 22:: May Dept. Stores 24	71: 31: Solitron 5:a 50:4 321: Solithdown 461: 271: 22:a Southern Cal.Ed. 2614	15 912 Cassiar Asbestos 12 30 14 Chieftain 28	Sud Zucker 249.5 + 0.5 29.58 5.9 Thyssen A.G 89.7 - 0.4 :12.6 6.9	
20:3 133) Asarco 20% 45:, 34% Ashland Oil 39% 68:, 56 At Ritchfield 64	331, 28% Fed. Dept. Stores 287, 15: 12 Firestone Tire 1214	48!, 37: MCA 44:e 22:e 15: McDermott 20 35: 20 McDennell Doug. 25:	17:4 12'2 Southern Co 13 44 2752 Southern Nat Res 44's 34 23 Southern Pacific 34's	42 313; Cominco	VEBA 154 +0.1 8.72 6.1 Vereins&WitBk 281 28,12 4.9 Volkswagen 212.5 +0.8 28.12 6.6	
56: 28:2 Auto Data Pro. 55 125: 7:2 AVC 11 25 18:2 Avco 231	1931 1614 First Chicago 1812 3154 2515 Fst. Nat. Boston 3214 1938 1415 Flexi Van 17	331: 251: McGraw Hill. 251: 581: 371: Memorex 55 711: 651: Merck 651:	5714 23 Southern Railw'y 5612 3013 2214 Southland 2914	11 5.37 Coseka Resource 854 17 11 Costain 147a 195a 10 Daon Devel 155a	MILAN	Acrow
55% 45% Avon Products 49% 45% 25 : Baker Intl 45% 26 21% Balt. Gas Elect 25%	481: 29 Fintkoto 471: 325: Fiorida Power. 30 551: 325: Fluor	20 15 Merrill Lynch 19 68: 52 Mesa Petroleum 65: 26: 18 MGM 19:	89% 22% Swit Bandshare 25 50 12% Sperry Hutch 13% 49% 32% Sperry Rand, 47 37% 21% Spuibb 31%	3013 2012 Denison Mines 2734 4818 2938 Dome Mines 42 5112 24 Dome Petroleum 46%	Aug. 3 Price + or Div. Yid.	AMATI Ampo Ampo
257; 19% Bangor Punta 241; 29-, 24 BankAmerica 29; 45: 35 Bankers Tr. N.Y 45%;	287; 2214 F.M.C 263; 4514 40 Ford Motor . 4174 2414 1814 Foremost Mck. 2436	6514 5214 Minn Ming & Mtg 5218 4C 3614 Mobil Corpn. 3924 5314 4614 Monsanto . 5324	37% 21% Stuidb 31 % 32 %	3712 30 Dominion Bridge † 35 in 29 23 Domtar 2714 2352 1536 Dupont 2318	ANIC	Assoc. Assoc. Audim
581, 241; Barber Oil. 57 64; 64; Basic Resources, 64; 451; 551; Baxter Travenol 451;	441; 30 Foxboro 412 94; 5% Franklin Mint. 91; 50 32% Freeport Mineral 38%	52 5, 43: Morgan J.P. 52 4 46 4 36 Motorola 44 5 61 49 Murohy Oil 60 2	25:1 19:2 Stauf! Chemical. 25	681 3214 Falcon'ge Nickel 5814 74 671 ₂ Ford Motor Can., : 69	Finsider 129 -9.75	Aust.
23 : 20 Beatrice Foods 22:4 26 : 20 Beakman Inst 26 36:4 51 Beat hDick noon 54:2	59 26% Fruchof 35:3 12: 8% Fuqua inds 121:	25:2 22:2 Nabisco 22:3 35:2 26:2 Nabisco 22:3 22:2 16:3 National Can 21:2	4551 1550 StorageTechnigy 17's 46: 24'r Studebaker War. 4859	2414 183e Genstar	Italsider 363 -7	Bambi Blue B Boral.
18 141; 'Self & Howell 18 40: 35:, 'Bendir 38: 41; 3 Benguet Cons'B 31;	13% 10% G.A.F 10% 44% 39% Gannett	23a 18a Nat. Distillers. 123% 26 25b Nat Semic'd'etor; 25	20: 15 Sundstrand 29:4 20: 15 Super Valu Store 19:8 39: 18:a Syntex 38:4	14 81 Hawker Sid Can. 1219 44 3814 Hollinger	Olivetti Priv 1.279 13 —	Bram) Bram) Broke
24% 19: Bethichem Steel 24 25: 16:4 Black & Decker 22:3 52:3 38 Boeing. 43%	11. 9½ Gen. Amer. Inv . 11½ 33 24¼ G.A.T.X. 52½ 34½ 26 Gen. Dynamics 86¼	2012 14 4 Mat. Service Ind., 18 : 33 - 28 National Steel 32 55 : 40 - Natomas 52 - 1	34.3 18.9 Tandy Corpn 25.4 16.5 10 Technicolor 15.5 57.4 52.2 Tektronix 54	24 is 18 is Hudson Bay Mng. 21 is 33 is 19 is Hudson a Bay 26 is 76 is 53 is Hudson Oil & Gas 72 is	1 1 ' '	Carito CSR (\$
36:: 26 'Boise Cascade 36': 27': 24:: Boise Cascade 25': 25': 35': 26': Boise Warner 52::	5132 46 Gen. Electric 5139 35 2 2814 Gen. Foods 3232 29 2413 General Mills 25	72 595 NCR 72 233- 204 New England E 221 364 34 New England Te. 35-8	6: 4 Telex 412	1913 161s (A.C 175s 441 57 Imasco Com Stk) 59 385 231s Imperial Oil 341s	OSLU Price +or Div. Yid. Aug. 3 Kroner - % %	Coskb Coles Cons.
144 105 Braniff Intl. 1155 22 1514 Brascan A 191: 44 31 Brestol Myers 541;	60:, 54:c General Motors., 57!2 16:s 8!: Gen. Pub. Util 9:a 35:r 25 Gen. Signal 35!a 50:2 27!a Gen. Tel. Elect 29!a	15% 13% Niagara Mohawki 14% 12 9% Niagara Share. 12 27% 20 N. L. Industries 26% 28% 28% 21% Norfolk & Weat in 26%	37 28 Tenneco 36 ³ 1 185: 6 ³ 1 TesoroPetr leum 15 29 ³² 32 ³ 1 Texase 25 ³² 16 ³² Texasequit 28 ³²	25 185a inco 225a	Bergen Bank 102.50 6 5.9	Conta Conta Conta
2879 1719 Brit, Pet ADR . 2674 19 14th Srockway Glass. 1574 1574 1272 Brunswick . 1379	50½ 27½ Gen. Tei. Elect 29½ 26½ 20½ Gen. Tire 21½ 5½ 4½ Genesco 4½ 30½ 25¼ Georgia Pacific 26⅓	281: 2173 Norfolk & Westin 265: 495: 355: North Nat. Gas 495: 255: 121: Ntho States Pwr 245: 365: 251: Nthwest Arrliner, 321:	921: 61% Texas Eastern. 97	15 11 Inland Nat. Gas. 113	Creditbank 116.5 11 8.6 Kosmos 567.5 -2.5 10 1.7 Kreditkassen 116 11 9.5 Norsk HydroKr8 468 -9 12 2.1 Storebrand 110 -2 10 9.1	
24 ₃₄ 15½ Bucyrus Ene 21 ₂₆ 60½ 35½ Burington Nthe, 57½ 79 64½ Burrough 69	37 27'4 Geosource 36'8 54'5 35'2 Getty Oil . 5278	281, 231, Nthwist Bancorp 285, 171, 141, Norton Simon., 151, 251, 153, Occident Petrol 231,	221 18 Texas Utilities, 1914 50-1 331 Tilnos Inc. 431	4.95 4.00 Lobiaw Com, B 4.10 28 22 McMill's Blood'l 27	Storebrand 110 :-2 10 9.1	Gen: E
355; 32 Campbell Soup 32 v 2938 19": Canadian Pacific 27"; 16 10 Canal Randolph. 15	2613 2313 Gillette 2514 2214 16 GK.Technologies 2114 2124 1716 Goodrich B.F 21	24-4 19 Ogilvy Mather 20 17:2 14-2 Ohio Edison 15-5 25:1 17:2 Ohio 22:4	354 221 Times Mirror 34 625 41 Timken. 601 251 18 Trane. 221 191 16 Tran. America. 193	912 614 Marks & Spencer 614 1514 1034 Massey Farguson 1334 5312 24 McIntyre 46 3934 3334 Moore Corpn 3614	PARIS Price + or Div. Yid. Aug. 5 Frs Frs. §	Harto Harto Hooke
28 25 Carnation 25% 12% 10% Carner & Gener. 11% 18% 14% Carter Hawley . 17%	181: 151: Goodyear Tire. 154: 29: 251: Gould 261: 30 25: Grace W.R 301s	55% 20% Overseas Ship 31% 29% Overseas Corning 28%	30% 20% Transco	153: 3.40 Mountain State R 133; 521: 374 Noranda Minos., 481; 274: 17 Noran Energy 223; 484: 361s Nth. Tolecom 453;	Rente 4; 1,193 -17 41 ₂ 0.4 Afrique Occ d't 290 24,75 8.5	ici Au Inter i Jennir
61- 531; Caterpillar Tract 56% 55% 44% C65 48 40 Colonese Corpo. 46% 16% 14-2 Central & S.W. 14%	1014 612 Grt.Atlan PacTen 9% 28% 21 12 Grt. North fron 25 15% 11% Greyhound 15% 16% 14 Gulf & Western 16%	211: 17: Owens Illinois. 211: 25 212: Pacific Gas. 23: 201: Pacific Gas. 23: 21: 22: 19 Pac. Pwr. & Ltg 21: 4	301; 151; TWCorp., 191; 401: 331; Travelers 39 191: 165; Tri-Continental 171;	48.8 3618 Nth. Telecom 4514 4014 1 2658 Numac Off & Gas 881 1314 4.60 Qakwook Patrim 1217 2.15 1.26 PacificCopper M 1.80	Air Liquide	Jones
171: 151: Certainteed 161- 201: 151: Cesona Aircraft 1922	28 23 Gult Old 27% 743 591 Halliburton 73% 391 30% Hanna Mining 37%	814 5 Pan Am World Air 7:2 28 34: Parker Hamifin. 27 24: 19 Peabody Intl . 24	8: 41 Triton Oil & Gas. 8!: 42: 29: TRW . 88: 46 30 20th Century Fox. 41:	60 381: Pan Can Petrol'm 5514	Bit Georgia Bit	Metre MiM
26 203 Champion Inter. 244 41 30 Chiso Manhattan 414 44 37 Chemical Bk. NY 434 23 21 Chesebrigh Pond 234	24.2 11% Harnischfeger, 23': 334 25% Harris Corpn. 26% 41: 35% Hemz H. J. 38	21 18:9 Penn Pwr & Lig 20: 54 28 Penney J.C. 28:3 34: 30: Pennwait 33:5	19 1 15 7 Tyler 15 4 31 25 U.A.L. 26 27 24 17 UGI 25	251: 18 Patino ; 2214 4.0 2.25 Place Gas & Oil 2:95 331: 251s Placer Divel pm't 297s 143: 101; Power Corp n 13	Cie. Bancaira 445.2 - 2.7 15 5.2 : Club Meditor 588.5 - 5.5 9 2.3 : Cridit Cim. From 162 - 2 12.75 79 :	News.
50° 45° Chessic System. 51°: 64°: 43° Chicago Bridge. 62°: 10°: 7° Chrysler 7°:	31: 251: Houblein 27% 49 421: Howlett Packard 47	42: 30 4 Pennzoil . 39:3 11:1 9 Peoples Drug . 11:5 39:5 31:2 Peoples Que 89:2	26:2 16:2 UNC Resources 22 55:4 40:4 Unitever 45:4 55:4 57:6 Unitever NV 65:4 43'. 34 Union Carbide 40:6	2.90 1.30 Que becSturgeon 2.50 30% 16% Ranger Oil. 28% 11 8 Reed Stenhouse. 9%	Dumez 689 +4 35.75 4.5	Oil Se
22: 18: Cinc. Milacron 22: 26:4 22: Citicorp 24:4 73 53: Citias Service: 67:	2074 151: Holiday Inns 1912 361: 3119 Honnestake 3238 7514 64 Honeywell, 70 183- 1038 Hoover 1512	27 g 22 Pepsico 26 g 35 g 26 p Pdrkin Elmer 27 g 46 g 27 g Petrolane 44 g	43', 34 Union Carbride 40'; 13': 8's UnionCommerce 12'; 40': 28's Union Oil Califf 38's 73': 51's Union Pacie 72';	40 29 Rio Algom 2934 43.4 3814 Royal Bk. of Can 4216 1714 : 1436 Royal Trustco . 1534	Gen Occident 270 -1 12 44	Deck
18:, 14 City Investing 17; 34:1 17!* Cloveland Cliff 34:: 45 36:1 CocaCola 39!a	18i: 10is Hoover 15ie 34ie 26ie Hosp-Corp. Amer. 33ie 32ie 23ie Houston Nat. Gas 31 16ie 12ie Hunt Ph.A. Chm 14	351: 2914 Pfizer. 32 291: 2017 Phelps Dodge 251: 1714 1514 Philadelphia Ele. 1614	81: 5 United Brands 101: 81: 101: 231: 101: 281:	95, 612 Sceptre Res'urce; 712 38:2 325, Seggram 8512	Imotal	Sparg Thom:
19 15. Colgate Palm 165- 103, 8': Collins Akman 93 50 254 Columbia Gas 301 25. 19: Columbia Pict 241.	18-s 15-4 Hutton E.F., 184- 28-s 24-s I.C. Industries 257s	551: 29 Philip Morris 353: 40:3 29:4 Phillips Petro m. 38:4 38 32:4 Pillsbury 67:	2512 1815 US Shoe 194	1134 754 Shell Canada 2514 1134 754 Sherritt G. Mines 1034 13.65 2.15 Simpson	Legrand	Toohe Tooth Walto
25 ; 16); Com.InsCo.of Am 19'; 55 ; 325; Combustion Eng. 50%	4738 3936 INA	25: 22: Pitney-Bowes. 26: 25: 20 Pittston. 22: 26: 19: Plessey Ltd ADR. 24	41> 36:4 UtdTechnologiet 40 39:4 20:8 UV Industries 26'1 15:: 12 Virgina Elect 13 29:5 24 Wagreen 29	56% : 27/2 Stoel of Canada; 28/4 4.56 3.55 Stoel Rock Iron.: 3 95	Paribas 82.4 +0.2 5 5.6 Paribas 217.5 -0.5 10.14 4.6	Weste
15 9 : Combustion Eq 14 26 22 : C m th Edison : 24 641; 351: Comm Satellite, 431;	51': 49'4 Intel. 50'4 80'4 68'5 IBM . 68'5	55.e 27.4 Polaroid 29.4 14.e 121 ₂ Potomac Elec 13.4	29 4 Wagreen 29 4 27:2 19!4 Wallace Murray 25!: 39!, 32 Warner Commin 38!;	24 a 2114 Toronto Dom. Bk. 24 s 2413 1712 TransCan Pipe Ln: 2114	Perind Ricard., 251 +3.5 16.5 5.3	
48:- 28: Compugraphic 38 14 . 101: C'mputer Scienc 141: 39 - 33: Conn Life Ins 36:2	24 20 Itni, Flavour., 31 1/2 42 34 1/2 Inti. Harvester. 38 1/2 50 38 1 Inti. Min. & Chem. 50 1/2	88-4 73 Procter Gamble, 74-3 22-4 20 Pub. Serv, Elec 21-4	251: 21:: Warner Lambert 23:: 33: 26:4 Waste Man.ment: 34	12 8% TransMount Pipe 10% 22 111: Trizec	Radio T chnique 342 - 4 30 8.7 Redoute 415 - 5 30 7.7	withbo
17.4 13.5 Conrac 17.5 24.4 21.5 Con. Edison NY. 25.5 24.5 21.5 Consel Foods 25.5	2212 1814 Intl. Multifoods 2214 2114 1815 Inco	17 145 Purex 1612	321: 27 Wells Farge	45 4 38 Walker Hiram 394 15 4 112 West Coast Trans 144	Rhone Poulenc 129 +0.5 10.5 8.1 St. Gobain 118.5 - 2 14.56 12.3 Skis Rossignol 1.380 + 5 39 2.9	
44.6 56.5 Consol Nat Gas 41.6 25 1911 Consumer Power 22 30 24.1 Cintinental Grip 28.1	30½ 27 Intl. Tei. & Tei 28:s 24 17:: lowa Beef 20	28:4 23 RCA	20% 16% Wistinghae Elect 214 32 241; Weyerhaeuser 50%	20 224 Weston Geo.L: 24%	Rings 10.5 10.5 8.1 11.5 7.2 14.5 12.5 1	ofter includ payme
16; 28:: Continental Oil 59 16; 14!: Continental Tele 16.7	14 10 : 10 international 12 55: 26% Jim Walter 85%	28	23:4 18:4 Whiripool 22:1 27:5 16:5 White Con Ind J 26:4	n Askell, "Assented But 1 Traded, a New Stuck.	Usinor	pendir
		•	•			

G.B. Inno 8m 2.650	Boo. Urquijo (1.000) 223 — Banco Vizcaya 262 —	Honda Motors 555 8 18 12
Gevaert	Banco Zaregozano 21Z — Dranados 128 — 1 -	C. Hoh
intercom 1,725 -10 142 8.3	Fecsia (1,000) 54.75 — .	2 900 +20
	Gal. Preciados 55 Hidrola 62.75 - 0.25	Komatsu 334 13 +21
La Royale Beige 8,300 —10 ,325 5.2 Pan Holding 5,030 +10 82.50 2.7 Petrofina 5,000 +110 190 3.8	Iberduero 58 — Petroliber 95 —	Kubota 275 41 15 28
Soc Gen Banque 5,175 + 55 220 , 7.0 Soc. Gen. Beige 1,850 140 ! 7.5	Patroleos 129 - 1 Sogefisa 122 rd	f Materials in Ind . SAR
Softna	Teletonica	Anna and the second of the second
Traction Elect. 2.695 +20 186 6.9		Mitsubishi Hevy 152 +1 12 51 Mitsubishi Gorp 556 +5 15 51 Mitsubishi Gorp 556 +5 15 51 Mitsubishi Gorp 556 +2 14 21 Mitsubishi 445 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 21 1-2 30 30 30 30 30 30 30 3
Un Min. (1, 10) 760 —8 40 5.3 Vielle M'ntagnel 1,620 +5 —	to an as as	1 Missas Bassa 1 970 - " 14 Mil
COPENHAGEN *	STOCKHOLM	NipponShimpan 589 —1 —12 14 Nissan Motors 621 16 /13
Price + or : Div. Yld.	Aug. 3 Price + or Div. Yid Kronot - Kr. &	Pigneer 1990 1890 1890 1890 1890 1880 1890
Aug. 3 Kroner — 2 2	AGA AB (Kr. 40). 178 6 3.5	Sanyo Elect 339 +1 12 14 Sekisul Prefah 667 +2 -30 25 Shiseido
Andelsbanken	Alfa Lavakkr.50 118 —I 6 5.0 ASEA(Kr.50) 72 +1 6 6.9	Sony 1.910 ; +40 40 11
Fact Selection Co. 131 — la 10 7.7	Atlas Cop. Kr25, 78 +1 5.8 7.4 Billerud 57.5 +2.5 —	Takeda Chem 450 +8 10 16
Finanspanken 104 +12 10 3.0	Bofors 120 -1 5 4.1 Cardo 168 +4 6.5 5.8	TOK 1.780 +50 30 93 Teilin 140 -4 1 10 51
For Papir 108	Cellulosa 122xo - 1 #5.5 4.5 Elec lux B Kr69 / 105 + 1 6.2h 6.0	Teijin
Nord Kabe 175 -12 12 6.8	Erlesson B (Kr50" 126 5.5, 4.4	Toray 159 +1 10 7,1
Novoind stries B 218 + 212 10 4.6 Oliefabrik 142 + 12 6 4.2	Fagersta 100 4 4.0	Toshiba Corp 163 +1 10 33 Toyota Motor 865 +5 20 11
Privatbank 1814 13 9.9 Provinsbank 1344 12 8.9	Granges (Frée) 49.5 18.5 6.1	Source Nikko Securities, Tokyo.
Soph.Berensen. 32212 - 212 13 - 4.0 Superfos 15212 - 14 12 - 7.9	Marabou	
	Sandvík 8 Krier 218 +1 5.50 2.8 S.K.F. 8 Kr.50 54.5—1.0 4.5 8.3	HONG KONG
GERMANY +	Skand Enskilda 127 +1 9 7.1 Tandstik 8(Kr50 69 -0.5 5 7.2	nond nond
Aug. 3 DM 2 2	Volvo (Kr 50) 71 7 9.8	Hong Kong S Aug.3 July.87
45.0.07		Trung rooms 5
AEG		Amalgamated Rubber. 4.00 3.90 Cheung Kong. 15.50 13.90
BHF BANK 200 +3 28.12 7.0 BMW 188 -3 28.12 7.5	SWITZERLAND ®	China Light & Power XI. ou 12170 money
BASF 137.8 -0.3 18.76 6.8 Bayer 138 -0.5 18.76 7.1	Price + or Div. Yid.	Gross Harbour Tunnel 9.15 9.05
Bayer. Hypo 260 +3 ,28 12 5.4 Bay. Vereinsbk 288.9 +4.9 28.12 4.9		Hang Seng Bank
Commerzbank., 208.5 26,58 5.3 Contl Gummi 54.8 + 0.5 —	Aluminium	Hong Kong Electric 5.00 , 6.15 Hg. Kg. Kowloon Wharf 38.25 , 39.75
Daimler-Benz 259.5 - 3.5 28.12 5.4 Degussa 234 + 1 26.58 5.7	CibaGeigyFr100 1,265 22 1.8 Do. Part Cert. 1.035 22 2.1	Hong Kong Land
Demag	Do Reg	Hg. Kg. Shanghai Hotel: 18.40 19.40 Hg.Kg. Telephone 25.20 25.30
Dresdner Bank 214 -0.2 28,12 6.6 Dyckerhoffze't 156 +4 12.6 4.0	Electrowatt 2.140 + 10 10 2.3 Fischer(Georg) 695 + 5 5 8.4	lardine Matheson 12.20 12.30
Gutehoffnung 210,5 -1.3 18.75 4.5 Hapag Lloyd 78 +0.5 9.38 12.0	HoffmanPtCart, 74,500 +250 1106, 1.5	New World Development 2.675 :- 2.50
Harpener	Do: (Smell) 7.475 +25 110 1.5 inter(god 8, 4.400 22 2.5 Jaimoli (Fr.100) 1.435 -5 21 1.5	Rubber Trust
Horseh 43.305	Nestle (Fr. 100) 3.695 #81.5 2.5	Swire Pacific A
Horten	Do. Reg. 2.300 581.5 3.5 Oerlikon 8:F250 2.585 10 15 1.3 Pirelli(F100) 286 15 5.2	Wheelock Maritime A.: 14.25 1.425
Kaufhof 196 25 6.5 Klockner DM. 199 73 -0.9 -	Sandaz (F.250). 4,260 - 40 26 . 1.5	† Suyer. ‡ Seller.
KHD	Do. Part Certs 539 -1 26 2.4 Schind'rCtF100 325 12 3.8 Suizer Ct. F. 100 380 -5 14 5.7	
Unde 295 - 2.5 25 4.2 Lo'brau DM.100 1,410 +10 25 1.8	Swisenir (F.550) 782 +1 10 4.5 Sw.2k (Cp(F100) 581 -3 10 2.6	BRAZIL
Lufthansa 93.5 - 0.5 16.94 5.8 M.A.N 196.5 - 1.5 81.88 5.6	Sw.Reins.(F250) 5.450 25 1.8 Union Bank 3.220 +10 20 3.1	Aug. 3 Cruz — Div. 4
Mannesmann. 163.4 - I.B 17.18 5.3 Metaliges 252 12.5 2.4	Zurigh ins 13,350 +50 44 , 1.6	Acesita 0.90 -0.82 0.14 ES : Bancodo Brazil. 1.61 -0.91 0.115.85
Munchener Rek 592 , 2 28,12 2.4 Neckermann 162 + 2.5 —	ر ود معالف د دولاد ده داد و حدد شوهد. در دولود	Sancodo Brazil. 1.61 —0.61 0.11 684 Sanco Itau PN 1.51
PreussigDM 100 164.2 - 0.5 RheinWestElech		Beigo Mileira OP 1.72 + 0.04 0.08255 Lojas Amer O.P. 2.10 -0.08 6.30455 Petrobras PP 1.37 + 0.910, 113,49
Siemens 264.3 + 1.8 25 4.7	AUSTRALIA	
Sud Zucker 249.5 + 0.5 29.58 5.9 Thyssen A.G 89.7 - 0.4 :12.5 6.9	+ or	Soura Cruz OP. 2.35 +0.010.065.65 Unip PE 3.90 +0.65.0326.65 ValeRioDoce PP 1.60 +0.010.155.45
Varta	Aug. 3 Aust. 5 -	Turnover: Cr.99.0m Volume: 65.6s
Volkswagen 212.5 + 0.8 28.12: 6.6	ACMIL (26 cents)	Source: Rio de Janeiro SE
MILAN	Acrone Australia 11.01	LOSLIA MAJEERI M.O.
Price + or Div. Yid. Aug. 3 Lire - Lire &	Ampol Exploration 12.52 Ampol Exploration 156 Ampol Petroloum 10.67 -0.98	IOHANNESBURG
ANIC	Assoc Minerals 2.00	MINES August 3 Rand +874
Flat	Assoc Pulp Paper S 11.95 +0.83 Audimon 25 cents 10.33 Aust, Consolidated Inds. 11.89 +0.01	Angle American Cpn 8.02 -0.59 Charter Consolidated 13.25 +0.01
Finsider 129 - 9.75	Aust National Industries 11.77 +9.85	East Oriefontein 14.10 +0.8
Italsider 363 -7 - Mediobanco 89.800 -190 1.208 3.0	Bamboo Creek Gold 0.16	Harmony 8.75 ±0.00 K-aross 6.60 +0.65
Montedison 1951 Olivetti Priv 1.279 13 Pirelli & Co 1.845 + 82 140 7.6	Borga invite Copper 12.22 +0.05	Rustenburg Platinum 2,72 -64
Pirelli & Co 1,845 ÷ 82 140 7.6 Pirelli SpA 745 ÷ 2 80 10.7 Snia Viscora 819 - 5 —	Brambles Industries 11.65 +0.92 Broken Hill Proprietary 19.32 -0.07	St. Helena
Pirelli SpA 745 + 2 80 10.7 Snia Viscosa 819 - 5	Cartten United Brewery, 1.81 +0.91	Union Corporation 8.00 -0.0
i oslu	CSR (\$1)	On Beern Deformed 8.25 Blywoorustricht 6.20 +0.8 East Rand Pry
Aug. 3 Price + or Div. Yid.	Cons. Goldfields Aust 13.75 :-0.06	Free State Geduld 28:25 - 6.2
Sergen Bank 102.50 6 5.9	Container (\$1)	Prezident Brand 20 50 -
Borregaard 74 Creditbank 116.5 11 8.6	Costain Australia	Stillentern 7.70
Kreditknssen 116 11 9.5	ESCOR, 10.80 Elder-Smith 12.93 st -8.81	West Driefonthin 150.00 TV-V
Creditbank	Endeavour Resources 10.24	Western Doep
PARIS Price + or Div. Yid. Aug. 3 Frs. - Frs. 2	Gen. Property Trust	INDUSTRIALS
\	Hooker 10.79	Abortom 2.35 Turk
Rente 4; 1,193 -17 41e 0.4 Afrique Oce d't 290 24,75 8.5	Inter Copper 10.50;	Anglo-Amer. Industrial 14.50 -0.6. Barlow Rand 5.95 -0.8.
Air Liquide 478.0 16.5 84	Jimberiana Minerale +1.55 +0.95	CNA investments 750
Bouygues 448 +8 21 4.7 B.S.N. Gervals 685 -40 40,5 6.3	Metals Exploration 10.29	Curse Finance 10.85 TWO
Bouygues 448 +8 21 4.7 B.S.M. Gervals 685 -40 40.5 6.3 Carrefour 1.647 +32 78 5.0 G.G.E. 343 -4.5 31.5 9.2 C.I.T. Alcatel 1.117 -42 81 7.3	MIM Holdings 13.34 , -0.10	Edgars Stores
Cie. Bancaira 440.2 12.7 15 3.2	Myer Emporium	Hulerts 3.35 = 0.11 ARCCorthy Rodway 10.60 = 0.00 NedBank 3.65
Club Meditor 588.5 5.5 9 2.3 Cr'dit C'm.Fr'oo 162 2 12.75 7.9 Creusot Loire 74.5 1.4 Dumaz 680 14 31 7.4 6	Nicholas International 1.05 +8.02 N. Broken N'dings (50c) 1.820.92 Oakbridge 1.44 -8.5	NedBank 365
Elf Aquitaing 856 .+20 76 26 3 1	Oil Search 10.15	Pretoria Coment 14 70 -0.0
Fr. Petroles 186.5 - 0.4 15 8.1 Gen Occid'nt'le 270 - 1 12 4.4	Pioneer Concrete	Rombrandt Group 14.00 :- 0.00
1	treated a countries in the second of the sec	Retton 0.43 - *0.91

FT 1

mith Sugar ... 5.55 -0.05

mith Sugar ... 5.55 -0.05

per Oats and R. Milg. 11.40 +0.10

Financial Rand U.S.50.54

(Discounit of 291 %)

INTERNATIONAL BONDS

BY FRANCIS GHILES

D-Mark remains in the limelight

A STRONG SURGE in demand domestic bonds to satisfy infor Deutsche Mark and guildervestor demand, much of which
denominated paper charac was coming from abroad.

Friday, the first day it was foreign bonds were about 3 of Atlantic. Issues which started
terised the Eurobond markets

The 7.21 per cent yield

The 7.21 per cent yield last week, while in the sterling offered on

nowhere more rapidly than in placement for Girozentrale is currencies: D-Mark bonds were the lowest for three months. aiready keenly sought after in Demand was very strong for late June, but the second half all the new issues on offer, of last week produced a level of which enabled the lead managers activity which has not been to trim yields during the offerseen since before the Carter ing period.

Thus Dresdner Bank priced

of DM. 200m worth of new the coupon it was offering on D-Mark bonds for the mouth to the DM 100m public issue for August 23. But since the Sub- the Asian Development Bank Committee met, DM 600m worth twice within a period of 48 Committee met, DM 600m-worth of new issues has been floated in hours. the foreign D Mark sector, and All new issues performed last week alone the Bundesbank well in the secondary market:

The 7.21 per cent yield the eight-year sector profit-taking pushed down DM 200m private placement for the prices of most issues. Mean the World Rank arranged by the World Bank, arranged by while, the dollar sector of the Deutsche Bank is the lowest market witnessed less activity for DM paper of this maturity than at any time since last for at least four months, while autumn. the 6.37 per cent yield offered Fashlons change fast, and on the five-year DM 50m private

Less than two weeks ago the the DM 100m issue it arranged German Capital Markets Sub for Sweden above par, while Committee agreed to a calendar Deutsche Bank was able to cut

sold close to DM 500m-worth of the bond for the Asian Develop-

some issues. The 67 per cent by 3½ points to close at 101½. Yields of seasoned Deutsche Mark issues fell by up to 35 basis points at the longer end

on the week. Demand for domestic D-Mark paper was stronger than for foreign paper: the more sophisticated institutions and central banks prefer to buy the former as the vields offered on goodquality paper are still substantially above what they can obtain on foreign bonds. The much larger pool of

domestic as opposed to foreign D-mark bonds also allows investors greater flexibility. Selling large blocks of foreign D-mark bonds can prove very difficult, particularly when trading activity was virtually market conditions deteriorate. nil. The so-called "Volcker Investor attention was also rally" which developed in the

issues gained an average of 3 after some profit-taking on Pri- badly: the \$125m bond for of a point on the week, with day. Nevertheless, five-to-six Michelin was quoted at 971-1. much sharper rises posted on year paper still offers the investor yields of 81-71 per cent, was badly received — first

Only two new dollar-denomi-

note for Banco Latinoamericano de Exportaciones through Merrill Lynch, and a \$150m straight issue for Canada's Export Development Corporation, through Crédit Suisse First Boston. This bond carries a bullet maturity of five years, and the lead manager has kept to the traditional commission structure. Commissions total is accounted for by the selling

D-mark bonds.

group concession. the secondary market,

This prime corporate name New Zealand of 87 bond rose which is markedly more because the market was in no generous than on the equivalent mood for any paper denominated in dollars, and secondly because the 15-year maturity nated issues were announced of the bond was felt to be far too long at a time when most too long at a time when most bankers are anticipating a rise in U.S. interest rates.

That very select group of convertibles arranged for Chrysler, two denominated in U.S. dollars, two in Canadian. posted sharp falls last week after the announcement that the company had lost a record \$207m during the second quarter and was to omit its third quarter dividend. The 41 per cent Chrysler bonds of 88 dropped by eight points, and were being offered around the 60 level last Friday: at that level, they yield 13.12 per cent to maturity.

CURRENT INTERNATIONAL BOND ISSUES

_	Amount		Av. life	Сопрол			Offer
Borrowers	m.	Maturity	Years	%	Price	Lead Manager	yield
U.S. DOLLARS		•				_	٠%
ff§Canon Inc.	80	1994	_		•	Goldman Sachs	/ <u>*</u>
ITBanco de Chile	35	1986	7	6]	100	Man. Hanover	6.610
I†Krung Thai Bank Ltd.	25	1984	5	6 1	100	Man. Hanover	6.86 [©]
†Citicorp	700	1983	3‡		100	Crédit Suisse First Boston	
†Banco Laineamericano	25	2984	5	₹ÎФ	100	Merrill Lynch Int.	6.61°
‡EDC	150	1984	5	9}	100	Crédit Suisse First Boston	9.75
D-MARKS							
iAsian Dev. Bank	100	1989	10	71	99	Deutsche Bank	7.29
‡**Norges Kommunalbank					•		
(g'teed Norway)	100	1989	7)	7}	300	WestLB	7.38
**World Bank	200	1987	8	7	991	Deutsche Bank	7.21
‡**Sweden	700	1989	16	7]	100₹	Dresdner Bank	7,43
§UNY'	50	1985	_	64	190	Deutsche Bank	6,75
**Gironzentrale Bk. Oest.	50	1984	5	6}	100	WestLB	6.875
SWISS FRANCS							
EIB	100	1994	n.a,	4}	59 1	Soditic	4.425
‡**Sweden	100	1984	n.a.	44	99 1	Bank Leu	4.31
‡**Oesterreichische						Swiss Volksbank	4.375
Kontrolibk.	60	1984	n.a.	41	100		4
‡**Daichi Hotels (g'teed Lor	ng-	1986		41	100	Swiss Volksbank UBS	4.75 4.75
Term Cr. Bk. of Japan)	20 50	1985	n.a. n.a.	4	100 100	UBS	4.75
‡**Golden Eagle Shikoku Elec. Power	100	1989	n.a.	4} 4}	700	Swiss Bank Corp.	4.75
Tatelini	50	1985	Hette		100	UBS	4.81
‡**§Tokyu Car Corp.	35	1984	= .	4] 4]	100	CB3	7-01
YEN	-						
EIB	15bn	1989	<u> </u>	7 <u>}</u>	991	Nomura	7.86
KUWAITI DINARS Credit Immobilier	_			63 m1			
(g'teed Morocco)	6	7 989	6.55	8 1 /8 1	993	KIIC	3.79

Not yet priced. ‡ Final terms. ** Placement. † Floating rate note. © Minimum. § Convertible †† Registered with U.S. Securities and Exchange Commission. † Purchase fund. Note; Yleide are calculated on AIBD basis.

GERMAN BANKS

Cultivating the schuldschein note

OVER THE last one to one and by non-OPEC developing countries of long term of the international by non-OPEC developing countries (direct deposits by OPEC itself have accounted for only DM 700m of the internase).

Much of the influx of funds by way of a pecucapital markets—but in a way has been by way of a pecu-which seldom shows up in any liarly German borrowing instruof the published Euromarket ment which offers marked shiftstics. Parity because of advantages to both banks and increasing foreign investment investors—the Schuldschein, or demand for the Deutsche-Mark, and parity because of their own. These are issued in large need to refinance international lending activities, the banks' head offices in Frankfurt particularly by the large state-Dusseldorf and Munich have owned Landesbanks, whose raised almost as much long-term borrowings are guaranteed by capital from abroad since the beginning of 1978 as they had done in the previous 30 years.

put together. figures, from the Bundesbank, being officially classed as securithe banks' long-term foreign liabilities (of more than one year) had risen to DM 55.5h foreign purchasers of domestic by the end of May, from D-Mark bends. DM 38.6hn at the end of last They also offer a unique year and DM 23.6hn at end opportunity for non-residents to 1977. Of the DM 22bn percesse buy into comparatively short-since the start of 1978 term Comparatively shortsince the start of 1978, term German paper. As part DM 13.8bn has flowed in from of the Bundesbank's capital the international money centres controls, foreigners, at present of Belgium/Luxembourg. Swit- are not allowed to invest in zerland and the UK, while the domestic securities of less than surprisingly large figure of four years maturity.

NG KC

NAME OF LAKE

, B

U.S. DOLLAR

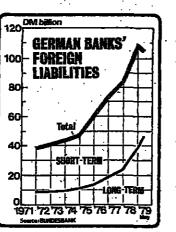
has been by way of a pecu-

denominations (the normal minimum amount is DM500,000) the Laender Government. Unlike bond issues. Schulscheine are only moderately marketable. But the crucial point for foreign investors is that, not ties, they are free of the 25 per cent coupon tax levied on

buy into comparatively shortsurprisingly large figure of four years maturity.

DM 3.4bn has been deposited. There are no profished

statistics on Schuldscheine, and institutional investors such as the heat of the D-Mark. is shrouded in mystery. But it buyers at times, is known that large amounts of these notes have been bought been pleased with



central banks, especially from OPEC and other developing countries, as a means of July 12, the foreign exchange diversifying reserves. These transactions take place either directly with the bank in Germony, or indirectly via other serve on Schuldschein borrow-banks on the Euromarket Large ing as part of an effort to take

the exact identity of the in- insurance companies and investvestors operating on the market ment funds are also active

The banks themselves have been pleased with the activity of the promissory note sector. Particularly this year, they have been forced into longer-term refinancing from abroad to offset the squeeze on domestic liquidity caused by the Bundes-bank's tight money policy and short-term liabilities during the period of heavy short-term capital outflows from January to May.

preference for longer-term issues is that external borrowings of more than four years are not subject to the minimum reserve levy which banks have to pay on shorter-term foreign liabilities. It was this loophole which

some banks were half expecting the Bundesbank to close last month: just before the rise in the German discount rate on market was rife with rumours that the central bank would place a punitive minimum re-

But the Bundesbank in fact took no action. Officials have since made clear that the central banks would interfere with banks ability to refinance abroad only under the most extreme conditions of foreign

BY DAVID MARSH

exchange unrest. None the less, the build-up of hanks' foreign liabilities is definitely causing headaches at the central bank. As it is not matched by a corresponding increase in banks' long-term foreign lending, which has risen a mere 30 per cent since end-1977, it is distorting the German balance of payments picture. The Bundesbank has for years been stressing that Germany should export enough long-term capital to offset its current account surplus—but in fact this has happened only twice

Above all, the desire for longterm D-Mark investments by large foreign investors and central banks is spotlighting a development which the Bundesbank hopes will go away, butin view of the dollar's persistent weakness-probably will not: the growing importance of the D-Mark as an international reserve currency.

this decade.

U.S. BONDS

BY DAVID LASCELLES

Market makes up its mind

past few days has cast off what-ever lingering doubts it had that which set new bench marks for the U.S. is heading for a recession. Bond prices have advanced \$2.75bn of three-year notes sold strongly, particularly at the long end of the market, and every-one's attention has now turned to tracking the downward path of interest rates: how quickly, and the \$2bn of long-term bonds and how evenly, will they decline?

The strength of the market the market checked its advance last week was particularly striking in view of the sharp upturn offering, these rates were all in short-term interest rates that occurred the week before (Fed Funds went up to 10 per cent, and the prime rate to 114 per cent). However, far from pressaging bad times, these rises were taken as a good sign for the long term. So, although little, the fixed income market

as a whole surged ahead. Long-dated industrials added as much as a whole point over the week, a remarkable gain in a market where a move of a Short-term rates are likely to in the first half of 1980, while fraction of a point can set remain volatile. Fed Funds long-term yields, on high quality dealers twitching.

the interest rate cycle. The at an average of 9.06 per cent, the lowest since the middle of last year. The \$2.5bn of 71year notes /ent at 9 per cent, (291 years) sold at an average rate of 8.92 per cent. Although

The Dow Jones Municipal Bond yield index dropped during the week from 6.95 per cent to 6.86 per cent. With most of the available

briefly on Friday to digest the

below market predictions.

data now strongly pointing to short-term securities weakened a declining economic activity—the main exception being unemployment, which has not risen sharply—the question is how steeply interest rates will

Another sign of strength was Fed, under its new discipli- may fall by the ease with which the market narian chairman, Mr. Paul basis points.

the money supply or the dollar. Uncertainties about the ailing condition of Chrysler, the large motor dealer with huge debts in the money markets, might also weaken short-term commercial

paper rates. The long-term market, though, is expected to build on its recent gains. Mr. Elliott Platt, money market economist at Donaldson Lufkin and Jenrette, reports that the market is "dominated by the anticipation of further economic weakness." which will lead to lower interest rates and to some cyclical deceleration in inflationary pressures. As the economy slows

down, it should also be easier for the Fed to control the money supply, he says. Mr. Geoffrey Nichols, chief economist at Argus Research, expects that "short-term rates will decline by approximately

300 basis points from current levels to their cyclical troughs could well go up again if the corporate issues, for example, may fall by roughly 100 to 125

FT INTERNATIONAL BOND SERVICE

STRAIGHTS Issued Bid Offer-day week Yield Alcos of Abstrafa 10 89 - 80 - 88 - 88 + 40 + 49 10 23	
Alex Howden XW 9- 91 30 834 844 -0 +04 12.10	_ A
Australian Res. 95, 84%, 30 - 37, 38, 40, +0, 10, 18.	^
AVGO U/3 CEP. 104 8/ 40 ' 304 8/4 - 04 - 07 10.82	Ę
DESIGNATION - 35 25 U - 104 1015	Ί. "
CECA 9% 84.99 550 94% 94% 0 +0% 10,02 CECA 10% 91 550 97% 99% +0% +0% 17.05	1
Canadian Pacific 91 39 50 973 984 +04 +04 10.07	l o
Carter Hawkey 93, 88	N
Continental Grp. 94 86 100 974 88 0 +04 10.08 Dome Petroleum 10 94 50 984 984 0 0 10.47	1 6
	1 5
Dow Chem. D/S 94-94-90. 975-10-10-256 E/8 99-86	16
The second secon	. B
EI8 97, 87	ļċ
EIS 10 99	. ¥
Export Dv. Con. 94, 84, 100	5
FINISHO 94 89 300 984 985 +04 0 70.17	1 6
GTE Finance 94, 89 55 957 965 +07 +07, 17, 39	-
Gordan Motors 64, 88, 100 977, 98 0 10 9.70 Gordan Fina 93, 85 50 977, 983 0 +03, 10.18	, N
Hosehet Fin, XW 84, 39 - 125 79% 79% - 0% 0 10.14	N
Hudson Bay Co. 10 94, 50 . 384 89, +0, +0, 10.12 ITT And Hea. 9, 89,	1 8
TT Andres 9, 88 15. 25. 95. 9600. 10.17 Kennecott int. 9, 88 109 95. 85. +0. +0. 10.47 Manitoba 9, 88. 75. 96. 96. +0. +0. 10.05	J N
Manitoba 9, 89 75 96, 96, +0, +0, 10,05 Nat. Dec Telecon 5, 86 100 97, 98, 0 0 9.90	R
News Brunswick 95, 944, 354 - 984, 984, +05, +05, 10.22	§
Newhoundland 10 94 50 987, 989 0 10 10 10 14 Norsk Hydro 94 84 50 942 85 0 9.94] Ti
Norsk Hydro 9- 84 150 945 85 0 0 9.94 Norway 9- 84 150 100- 100- 0 +9- 9.84 Norway 9- 84 150 98- 98- +0- +0- 9.88 Nova Scotta Pwy 9- 85 50 97- 97- 0- 5 10.15	Ü
Nova Scotta Pivi 99, 89, 50 97, 97, -0, 0 10.15 Occidental Fin. 10, 84, 50 99, 99, -0, -0, 18.33	
Urient Legging 41, 98 or 95%, 98%, +0%, +0%, 10.36	1 8
Panelro Can of the san on on the Birth	G
	I E
	ő
Technic Eng. XW. 95 91 25 1903 915 95 10 10 10 10 10 10 10 10 10 10 10 10 10	8
Stockholm 55 54 80 95 984 +05 +05 10.07 Sweden 57 88 100 55 884 +05 05 9.38	1.
Sweden 9 88 200 98 99 0 +0 8.96 Unileves NV 95 87 100 98 96 +0 Feb 9.90	F
Sweden 9-86 200 987 97 1 10 981 98 1 10 981 981 981 981 981 981 981 981 981 981	N B
DEUTSCHE MARK Chance on	В
STRAIGHTS: (ksted Bld Offer day aveck Thid	B
American & Int. 57-87 70 96 962 +04 +14 6.14 Argentina 62 88 350 902 91 +04 +04 7.94	B
Argentina 74, 89	, B
Barcisys O'seas 62 89 100 97 98 104 104 10 7.02	. B
Brazil 74, 87	1 8
CECA 7 91 150 982 99 0 +02 7.15	B
Conneil of Eur. 8, 28, 130 99, 93, +0, +0, 7,07 Council of Eur. 8, 28, 130 99, 93, +0, +0, 7,21 Council of Eur. 8, 89, 100 98, 100, +0, +0, 7,22	C
Council of Eur. 74-89: - 100 - 1997, 1004, 404, 404, 7:22-	Ğ
Denmark 51, 85	· J G
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85	G G In
Denmark 54, 85 100 1907, 951, 0 117, 223. Denmark 64, 85 100 1964, 951, 101, 107, 107, 7.15 SIB 64, 91 200 944, 954, 0 101, 1024, 101, 102, 102	G G In

خفت		
	麗 二十二十二年 一年 一年 1000年 1100年 110	Change on
ď.,		Bid Offer day week Yield
28	Asian Cev Bank 54-68 15	884 874 +04 -04 7.84
10 : 19.	Australia 5.6 83	94 95 0. +0 7.04
82 82	Australia 64- 88	90 ¹ 2 91 ¹ 2 - 0 ¹ 2 + 0 ¹ 2 8.03 93 ¹ 2 94 ¹ 2 0 + 0 ¹ 2 7.46
08	Finland 6.8 88	90% 91% 0 0 8,29
.08		
02	100	
<u>05</u>		Change on -
07 29		Bid Offer day weck Yield
27.	Nordic I. 8k. 9 84 SDR 20 Avec Fin. 104 86 CS 25	95½ 36½ 0 +0½ 10.03 95½ 96% 0 -0½ 11.13 96½ 99 0 -0½ 10.32 97½ 97% 0 -0½ 10.75 95½ 99% 0 -0½ 10.75 95½ 97% 0 0 10.91
08 .	Avco Fin. 104 86 CS 25	95 96 0 -0 11.13
47	Ex, Day, Con. 10 84 CS 50 Fat. Can. Inv. 10 84 CS 50 Duebec 11 85 CS 50	98 99 0 -0 10.32 97 97 0 -0 10.71
23 96	Par. Can. IIIv. 10,00 Ca 50	983, 993, 0 -03, 10, 65
99	Duebec 17, 85 CS - 50	983 973 0 0 10.97 99 993 0 -0 10.14 953 953 0 -0 10.62
15.	8. Bk. Crnsdo 10 86 CS 40	99 9912 0 -012 10.14
02	Cohenhanen 81 St EUA 25	951, 951, 0 -01, 10.62 931, 981, +01, +01, 8.43
16 93	Komre, Inct. 71- ST FUA. 75	64), QEL: A 8 9 45
32. 33.	SDR F 2 7- 94 EUA 25	195 29 +04 +35 8,08
98 .	SOFTE OI SO FUA	954 95 +04 -04 8.83
17.	Cohenhanen Big EUA 25 Kompe in 7. 357 SUA 25 SOR From 2 32 SP EUA 25 SORTE SI EN FUA 40 Alemen 2 57 SP FIA 75 CM Mayton 73 B El 75	135 25 +01 +37, 8.66 354 957, +01 -01 8.63 911, 921, 0 -01, 8.96 951, 91 +01, +01, 3.55
11.		TY/~ 154 & +U's A /9
39 70	TO STATE OF THE ST	1922 534 0 +07 8.79 323 1004 +07 +04 8.23 917 927 0 +04 8.75 984 994 +05 +07 8.50
18	New Yorken A M P -	917 924 0 +04 8.75
14	Norway 89. 84 Ft 100	981 991 + 01 + 01 8 50
12	Elf Aquitrine 24.25; FF: 150	917. 927. +03. +03. 31.29
17 47	New Yorking 69: 58 P 7: Norway 8'- 84 F1 100 Eif Aquiteine 9'- 88: F7: 150 Norway 9'- 84 F7: 150 Norway 9'- 84 F7: 175 Renault 9'- 85 F7: 100 Saint-Gobain 9'- 86 F7: 130 Solvey et Cie 9'- 87 F7: 125	32, 100, +0, +0, 8,23 91, 92, 0 +0, 8,5 92, 93, +0, +0, 10, 8,5 91, 92, +0, +0, 11,2 91, 32, +0, +0, 11,2 91, 32, +0, +0, 11,2 93, 34, 0 +0, 11,1
05 ·	PSA Peugeot 94 87 FFT 175	97 82 +04 +04 11.47
90 _	Renault 94 85 FFr 100	932 944 +04 +04 11 27
22	Saint-Gobain 94 25 FFF 130	911 924 0 0 11.55 914 924 +04 +04 11.39
14	Solvey et Cie 94, 87 FFr 125 Total Oil 94, 87 FFr 150 Unilever 10 85 FFr 100 Citicorp 10 93 C 20	891, 901, +01, +01, 11,38
94 84	Unitever 10 85 FFr 100	95's 98's +0's +0's 10.97
88	Citicorp 10 93 E 220	924 93 0 - 5 11.05
75 33 36 17 78		944. 95% +040% 12.31
33	Finance for Ind. 13 91 £ 15	1024 1024 -04 -14 12.57
17	Frm. for Ind. 123 89 £ 30	993 994 +04 -03 12.56
78	Gen, Elec. Co. 127 89 £ 50	1004, 1004, U -U 12,40
65. 51.	EIB 11-91 E	55, 35, 40, +0, 10, 10, 37, 32, 83, 0 -57, 11, 05, 30, 31, 0 -0, 11, 05, 30, 31, 0 -0, 11, 25, 102, 102, -0, -1, 12, 57, 59, 59, 50, -0, 12, 50, 100, 100, 0 -0, 12, 50, 57, 59, 59, 59, 0 +0, 8, 70, 57, 59, 59, 59, 0 +0, 8, 70, 57, 59, 59, 59, 50, 50, 50, 50, 50, 50, 50, 50, 50, 50
3 I	Oslo, City of 8 89 Linter 500	971, 981, +01, 0 8.35
82 I	Solvay Fin. 8 85 LintFr 500	954 964 +04 -03 8.78
28 82 07 38		
98 96		
30 30	FLOATING RATE	
76	NOTES Spread	Bid Offer C.dte C.cpn C.yld 98% 98% 17/7 11 11.15
٠٠-	DRIDE C 90 CL	DES. 971. 21/9 111. 11/10
id:	-Banco of north order use	· QRJ. QR7. DR / 10. 11 10. 11 74
14	Dan Mar Arrent 7/00 Al	974 974 22/9 114 11 78
94	Banco Prov. BA 71 86 04 Banco Urquijo 5 86 04	984, 984, 12/6, 11 11,17 98 98-, 21/9, 11-2, 11,70
94 06	Banco Urquijo 8 86 04 Bank of Tokyo 5 98 04 Bq. Ext. d'Alg. 74 85 04	99 99 18/10 11 11 84
20 02	Bq. Ext. d'Alg. 74, 85 04	DET. DET 9/11 147. 19 #9
87.	Bque. Indo Suez 55, 83 07, Banque Sudameris 6 87 05, BNP 55, 91 05, Citicorp O/S Fig. 6 33, 105, Creditenvialt 55, 91, 105,	983, 987, 11/1 11 11.15 974, 98 11/1 114 11.38 984, 984, 22/2 114 11.49
70.	Sangue Sugamens o 67 02	977, 98 11/1 111 1138 984, 984, 22/2 114 11.48 997, 1001, 8/8 10.69 10.70
15	Citigorp O/S Fin. 6 34 104	984 994 22/2 114 11.49 995 1001 8/9 10.69 10.70
07 21	Creditanstalt 57, 91, 10%	981, 987, 14/9, 107, 11.03
22. I		
23	LOTEDANCE O CO 124	981, 981, 15/5, 111, 11.66 991, 1001, 1/12, 10.94, 10.95 951, 961, 23/11, 117, 12.37 991, 100, 9/10, 115, 11.65 99, 991, 7/12, 111, 11.21
16 · 15	Jugobanka 8 89	954 964 23/11 117 12.37
15.	Jugobanka 8 88 05 1TCB Japan 5 88 07 1TCB Japan 5 88 07	99 100 9/10 115 11.65
20:	LTCB Japan 54 89 02	99 99", 7/12 11", 11.21

NOTES	Spread	명년	Ofter	C.dte	C.epn	C.yld
BFG Fin. Co. 54 8	901	36.7	30'2	77/7	.11	11.15
BNDE 6 89	Фъ	. 965	974	21/9	113.	77.48
Benco di Roma 6.8 Beo. Nac. Argent.	7 0.	98	987.	25/10	71.19	11.34 11.78
BCO. Nac. Argent.	7.88. Q4	973 <u>.</u> 984	9/4	22/9 12/6	1172	
Banco Prov. BA 79 Banco Urquijo B 8	a oo uw	98	981.	21/9.		11.77 13.70
Rank of Tokyo ちょど	B 03.	99	981,	18/10	111	11.84
De Eur d'Ala . 7L	95	95%	957.	2/11	117.	12.43
Baue. Indo Suez 5	, 89 O-	983	987,	11/1	11	11.15
Banque Sudamens	6 87 O	977	98 ₋	11/1 11/1 22/2	114	11.38
Citicorp O/S Fin. 8	D4 - 101	884	1001,	2/2	114 10.69	11.49 10.70
Creditenstalt 5½ 91 GZB 5½ 89	in.	983	987	14/9	107	11.03
GZR 51, 89	20%	99.	937	1/11	11,44	71.60
Gotebanken 6 88	O'.	383	987,	15/5	117 .	11.65
1-7 Rt 10000 24-1	H	991,	7003,	_1/12	10.94	10.95
Jugobanka 8 89		85	36.7	23/11 9/10	114	12.37
LTCS Japan 34 82		227	662	7/12	412	11.65 11.21
Jugobanka 8 89 LTCS Japan 52 85 LTCB Japan 52 89 Mis. Han. O/S 53	GAL SOL	994	997 ₂	23/8	11.19	11.26
Nacional Fin. 64. 8	8 62	22.74	367°	25/1		11.73
Net West 54 94		987	98 L	17/10	11	11.17
Nat. West. 54 94 Nippon Credit Bk. 5	7.85 U∗	994	. 99%	22/12	10.84	10.99
Nippon Credit Br. 8	4786 OL	98	38,	12/1 19/1	107	11.07
Panama 7 91	main Or	130%	3/1	19/1	117	11.86
Petro Mexicano 7.8 Privredna Banka 8	4 17-	327	32.5	2A/1	11.44 11.58	11.48 12.06
Boyal Bank Scot. 5	L'RA MA	. 984	. 99%	11/10	11	11.11
Spenal 53 89		98	581	11/1	10.94	71.13
Sopenal 51 89 Texas Int. Airways	7 88:10%	964	967:	11/10	11.56	11.97
TVO Pwr. 9 91 4044	ock) G	974		24/11		11.35
Litd. Overseas.	0-89-10 ²		384	29/9 ·	11.14	
Bq. E. d'Alg. 43 8	157 O.,	975	97%	18/12	474	4.37
					•	
	i in the second		•			
CONVERTIBLE.	Cnv.	Criv.			Chg.	_
BONDS	- data		Bid		day	Prem
AGA Akt boleg. Pa	3910/78°	174	96	951	+04	-5.84
Cibs-Geigy O/S f.	4 94 9 <i>[</i> 79	675	1957	. 96 ∶	+6%	∴3.58
Credit Suisse 44 5		1325	105%	1064	-04	4.55
Essette 74 89 Henda Motor 57 8 LPC Internatril. 8 8 Nitro Fiec. Ind. 6 9 Fujitsu 3 84 DM Kansu Elec. 4 84 DM	3/79	159	. 974	97.2	ተሁኔ፡	
Henda Motor D'2 &	5 5/79	532		100	-0.	1.27
DC Internation 2 2	F 9/79	. 35	1102	1025	+0%	1 <u>4.52</u>
Nitto Fied, Ind. 0 2	· 7/70	730	821	834	· Q	3.37
Fujited 5 84 Day	N ///	4/0	. 301	100	+0%	21.80
Marudai Food 3 D	M 2/79	1033	180	91 81	+02	47.01 44.68
Van 15 15	N1/ + 210.	364		. 114L	-04.	
Niesen Diesi, 32, 88 Olymo: Opt. 32, 85	DM 2/79	477			÷17.	
Olymo: Oot. 35-85	DM 2/79	703	1924		+0-	
Charm CDD. 33,88	:DM.2/79	487			+0-	
Talue Flac 35 87	DM: TUA	476	190%	90%	+14.	47.84
Tokyu Ld. Cp. 4 86	DM 4/79	493	184	85	+0%	28.29
	1000	٠.		٠.	٠.	

	I
1	
. 1	I the first of the state of the
- 1	e The Financial Times Ltd., 1979. Reproduction in whole
	l 🚓 The Findicial Limes, its. 1979. Rentoduction in Winde
-	[C 146 1 manage 1 1000 ran. 1532. Hebitogeben 41 14 14
	l To a community with the second community and a community community and the community community and the community community and the community community and the community commu
- 1	or in part in any form not permitted without written
	fill the base of high spirits battitioner contract merman
- 1	l e e e e e e e e e e e e e e e e e e e
	consent. Data supplied by Inter-Bond Services (a sub-
- 1	
	middless of dataSTREAM international)
- 1	I widen of color occurs internationally

BONDTRADE	INDEX	AND Y	ELD
Medi	in taru	. Long	term
Aug. 3 94.78	8.83	88.33	9.60
July 27 95.39			
High '79 95.75 Low '79 94.40	(1/2)	89.99	(30/1)
Low 79 94.40	(11/1)	88.33	(1/8)
EUROBOND TURNOVER (nominal value in \$m)			
U.S. \$ bonds	Ce	del E	uroclear
leet week	97	n s	2 082 5

2,048.2

 No information available previous day's price.

STRAIGHT BONDS: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week= Change over price a week earlier.

† Only one market maker supplied a price.

FLOATING RATE NOTES: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte=Date Spread = Margin above six-month offered rate (‡ three-month) for U.S. dollars. C.cpn=The current coupon. C.yld=The current yield.

CONVERTIBLE BONDS: De convertible Bonds: De-nominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Per-centage premium of the current effective price of acquiri-shares via the bond over the most recent price of the shares.

The list shows the 207 'an adequate secondary market exists. The prices over the past week were supplied by: Krediet"Y: Credit Commercia!
France: Credit Lynnnais; E. F.
Hutton Services SARL; Commerchank AG: Deutsche Bank
AG: Westdeutsche Landesbank
Girvzentrale: Rangue Inter-Girozentrale; Banque Inter-nationale Luxembourg; Kradic Bank Luxembourg: Algement Bank Nederland NV; Pierson Heldring and Pierson; Credit Suisse/Swiss Credit Bank: Union Bank of Switzerland; Akroyd and Smithers; Bankers Trust Inter-national; Bondtrade: Banque Française de Credit International: Citicorp International Bank: Daiwa Europe NV: Delte Trading Company; Dillon, Read Overseas Corporation; EBC: First Chicago; Goldman Sachs International Corporation; Ham-hros Bank; IRT International Kidder Peahody International Merrill Lynch; Morgan Stanley International; Nesbitt Thomson Solomon Brothers International Samuel Montagu and Co.; Scandinavian Bank: Strauss Turnbull and Co., Sumitomo Finance International; S. G. Warburg and Co.; Wood Gundy.

U.S. \$50,000,000

Argentine Republic



9%% Bonds Due 1984

Amex Bank

Credit Suisse First Boston Limited

Kuhn Loeb Lehman Brothers International

McLeod Young Weir International Limited

Société Générale

A. E. Ames & Co.

Alahii Bank of Kuwait (K.S.C.)

Banca Commerciale Italiana

Circ

Deutsche Bank Aktiengesellschaft

Lloyds Bank International Limited Nomura Europe N.V.

Atlantic Capital Corporation

Société Générale de Banque S.A.

Arab Bank Investment Company

enca Commerciale Italiana	Banco Urquijo Hispan	o Americano	Bank of America Internat	tional Bank	für Gemeinwirtschaft Au kegescheh ft
ank of Helsinki Ltd.	Bank Julius Buer Internation	mal Bank I	en International Ltd.	The Bank of T	okyo (Holland) N.V.
ankers Trust International	Banqu	e Bruxelles Lambert S.3	4.	Banque Française du	Commerce Extérieur
anque Générale du Luxembo	nurg S.A. Banque de l'Indoc	hine et de Suez Ban	que Internationale à Luxes	mbourg S.A. Ban	que Nationale de Paris
sague de Paris et des Pays-l	Bas Banque Privée	de Gestion Financière	Banque Worm	is Barcla	ys Bank International
aring Brothers & Co.,	Bayerische Hypotheken-und Aktiegenficheit	Wechsel-Bank	Bayerische Landesbank Gi	rozentrale B	ayerische Vereinsbank
erliner Handels- und Frank	furter Bank Blyt	th Eastman Dillon & Co		derwriters	Chase Manhattan
iemical Bank International	Citicorp International Ba United	nk Clariden Ban	k Commerzbank Aktorpocióchañ	Continental Illinoi	s County Bank
rédit Commercial de France	Crédit Lyomais	Credit Suisse First Box	ston (Asia) Credit	anstalt-Bankverein	Credito Italiano
ziwa Europe N.V.	Deutsche Girozentrale -Deutsche Kommunalbenk-	Dresdner Bank			ean Banking Company Limited
rst Chicago Light	Robert Fleming & Co.		tional Finance	Genossenschaf	tliche Zentralbank AG Vicesa
rozentrale und Bank der Ös	terreichischen Sparkassen		Hessische Landesbank	•	BJ International

Dai Kuwait International Investment Co. s.a.k. Lazard Brothers & Co., Kidder, Peabody International Kleinwort, Benson Morgan Greniell & Co. Merrill Lynch International & Co. Lacard Frèces et Cie Manufacturers Hanover The Nikko Securities Co., (Europe) Ltd. National Bank of Abu Dhabi Nippon European Bank S.A. Morgan Stanley International Rea Brothers Sal. Oppenheim jr. & Cic. Norddeutsche Landesbank

N. M. Rothschild & Sons Schomon Brothers International Sanwa Bank (Underwriters) Scandingvian Bank Schröder, Munchmeyer, Hengst & Co.

Societé Bancaire Barclays (Suisse) S.A. Skandinaviska Enskilda Banken Smith Barney, Harris Upham & Co. J. Henry Schroder Wagg & Co. Trade Development Bank, Louism Branch Strauss, Turnbull & Co. Simitomo Finance International Swiss Bank Corporation (Overseas)

S. G. Warburg & Co. Ltd. Union Bank of Finland Ltd. Verbond Schweizerischer Kantonalbanker

> Westdentsche Landesbank Girozentrale Williams, Glyn & Co. Wood Gundy Yamaichi International (Europe)

Foreigners call the tune

WHEN EXCHANGE controls on the purchase of EEC securities were relaxed a fortnight ago it was almost universally agreed that Germany had the most attractive stockmarket on the Continent. British fund mansers might or might not choose to wait a little before committing themselves - sterling, after all, was rising by a cent or so a day — but the German market looked, at least to the Lon-don stockbrokers who were advising them, as if that was the place to be. Unanimity is sus-picious, and British investors have done more cautious sniffing around than buying in the past couple of weeks. Those that have bought have not done badly — German equities have been agreeably firm.

The German banks are delighted at the prospect of doing business with British residents, but they are finding it their own market at the moment. The present buying, much of it from abroad, seems to be taking place rather against the banks' advice; professional German traders are buying here and there in the wake of the foreigners, but they are very circumspect.

Their worries concern the state of the German economy, which the market, for the moment at least, is resolutely ignoring. Growth forecasts are being trimmed steadily backthe expectations for 1980 growth are now nearer 3 per cent than the previously accepted 42 per cent—and spending on manufactured consumer goods is suffering as the Germans concentrate their spending power on the indismotoring pensables. holidays.

This winter the price of heating oil will be up sharply and that, too, will absorb a large chunk of disposable income. which is unpromising for the important department store sector. Although the worst of the inflationary push seems to be over, the year-on-year inflation rate will go on rising for a few months yet, if only market, because monthly retail price This i up to 15 per cent this year now look over-optimistic.

the market has been in soluable problems after all creasingly dominated by exter- German exporters, unlike the the dollar, which is nothing new that are extremely sensitive to in itself, but now the short-price movements.

reforms, which allowed not term currency traders have Clearly a British investor funds and private taxpayers a been joined by American pennous assess his own currency tax credit, could still increase sion funds and Middle East risk before buying a foreign their equity holdings a good

GERMAN STOCKS

DM 145bn Market capitalisation of German equities Nominal value of domestic bonds Nominal value of foreign bonds

TURNOVER

Around 95 per cent of equity trading passes through the stock exchange, but only about 10 per cent of bond trading. No precise turnover figure is published, but the Frankfurt Stock Exchange, accounting for a little under half of German stockmarket activity, turned over DM 15.8bn of equity transactions and DM 24.6bn of bonds in 1978. This year so far turnover has been somewhat lower.

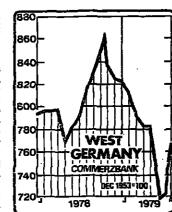
DEALING

On the German markets dealing is channelled through the Banks. The Banks' dealers transact their orders through a Makler or broker—either a Kursmakler (official) or an unofficial freie Makler. The official brokers fix prices by matching supply and demand from customers, but do not hold positions of their own. An unofficial broker has his own book of stock with which he trades to balance the market at the margin.

COMMISSION

The Makler receives on equities 0.1 per cent, on bonds from 0.075 to 0.0075 per cent according to size. There is also a turnover tax, 0.25 per cent on equities and 0.1 per cent on public sector bonds. Banks charge a 1 per cent commission on equities, 0.5 per cent on bonds.

BASFI



MARKET VALUATION OF LEADING STOCKS yieldi (%) Price p/e* 212 3.4 4.2 Yolkswagen 7.4 3.1 Deutsche Bank 281 10,6 162 3.4 Mannesmann

> 12* 139

• p/e for 1978 † Yield excludes tax credit t For BASF the prospective p/e and yield are around 7 and 5 per cent

money managers, who look to security. ment and are interested in the equity market. It is significant that the top of the German market last autumn almost coincided with the November 1 package to defend the dollar. As the mark fell, so did the

This implies that the German changes in the autumn of last equity market is not particularly year were very small. This is worried about the effect of a likely to increase expectations steady mark revaluation on the at the wage-bargaining table, competitiveness of the German Earlier forecasts that German corporate sector. A sudden 5 But over the last year or so rising mark does not pose in-

This announcement appears as a matter of record only

the Hague, the Netherlands

Dfls 100,000,000

91/4 % Bearer Bonds 1979 due 1983/1986

Nederlandsche Middenstandsbank N.V.

Pierson, Heldring & Pierson N.V.

Bank Mees & Hope NV

Nederlandse Credietbank N.V.

N.V. Slavenburg's Bank

Bank Van der Hoop Offers N.V.

Centrale Rabobank

Swiss Bank Corporation (Overseas) Limited -

Amsterdam-Rotterdam Bank N.V.

Deutsche Bank Aktiengesellschaft

July 31, 1979

but in Germany Germany as a long-term invest- particularly he is dealing with a market that can be influenced by the changing currency perceptions of a host of international investors. If the dollar recovered soundly, for example, U.S. investors might very well lose interest in German equities overnight, their present buying is widely supposed to be no more than a currency hedge.

"The Bourse is feeding on fantasy and liquidity," according to one sceptical German trader. Liquidity here means corporate profits might grow by per cent movement can be the foreign money, and the worrying, but experience has liquid assets of the German unit shown time and again that the trusts, which seem to be holding between 15 and 30 per cent of cash or near cash in their portcreasingly dominated by external financial flows. Funds have Japanese, are not chiefly enpanies, too, having been been coming into marks out of gazed in selling volume goods. The insurance companies, too, having been been coming into marks out of gazed in selling volume goods. equity market by the 1977 tax

deal—at present equities prob-ably account for under 10 per cent of their investments. If cent of their investments, the foreign interest drags the German institutions off the sidelines, the market could rise very rapidly.

This is all very well, but the Bundesbank has been keeping money so right that funds are tempted to stay in the short term money market, where they can earn over 6 per cent. Money will stay tight through early August as heavy re-purchases arranged with the Bundesbank fall due, and no one is in any doubt about the authorities' determination to keep the brakes on until they are satisfied that inflationary pressures have died down. The long bond market has

been very strong recently: there was enormous demand for the latest 8 per cent 10-year Federal loan, and the next issue may have a 72 per cent coupon, if a slightly shorter life. It is quite possible that money market rates will be driven above the long bond rate for a while later this year. The Federal budget deficit is nearly four-fifths covered, so the supply of new paper should relatively small between now and the year-end, but the secondary bond market in Germany is still tightly controlled by the Bundesbank. which sells out of its own portfolio-around DM 200m on a typical day last week-to limit the markets' advance.

So much for liquidity. Fantasy is rather less tangible. and manifests itself in different ways: sometimes it looks like anticipation. For example, U.S. funds were particularly strong controls were relaxed, presumsoon drive the market up. In other cases it has been over done-earlier this year the mar-ket was gripped with Chinaeuphoria: China was a bottom-less source of orders for German heavy engineering companies, or so it seemed at the time.

The recent bout of interest in German shares has done the rounds of the different sectors. pushing one up 5 per cent or so and then turning elsewhere. The underlying theme, though, has been energy, which in Germany increasingly means the North German electrical the stocks with nuclear con- rainy day.

BOARD MEETINGS—

BOARD MEETINGS—

Finals:
Angle-American Associate
County and District Pross.

Eliss and Eserard
Howard Shottering
DIVIDAND & INTEREST PAYMENTS—
AD latni. In 4006
Sacth John) socion: 2.15n
Brithoses Dudev 1895-920
Britho American & General Trust in 2pc
British & New York, Deb. 24oc
Chalothia Ibas. 5.555p
Ergish & New York, Deb. 24oc
Landen & Oversoos Irvs. Q 425p
General Conschibited Inv. Trust. 2p
Hardys & Horsons 2.55p
Highoms 2.5p
Highom

TOMORROW

COMPANY Witch INCOINTO and Simpson Fosse Way, Syston
Le costerine 120
Included Holdern Legal E. 2.30
Included Holdern Legal E. 1.30
Included Ho

4.50c Caraid Malting 0 for Caraid Malting 0 for Caraid Malting 0 for Continuous Stationery 1.50p Country Gentlements Associated 17 92p Department of Gells Mining 21.55.277p

er 2.25 ester (Samuell Deb, 3'epc eteread Deb, 3'epc outead (Johns) 4.555

EUROPEAN BOURSES

W. GERMANY

nections such as Siemens and Deutsche Babcock, even if Siemens' exposure to Iran on the nuclear side has been some. thing of an embarrassment. Engineers such as KHD, GHH and Linde have benefited from the feeling that specialist plant will be required by the energy industry worldwide even in an international recession.

The Bank shares have also been back in fashion again; the rise in the bond market will limit the write-offs the banks will have to make against their bond portfolios. The sectors that have been out of fashion are the consumer goods manufacturers, the retailers, the car makersalthough Volkswagen, which has large holdings of cash and a model range that is well-suited to an oil shortage, is something of an exception-and the building industry, the principal victim of the Bundesbank's credit squeeze.

The luxury Daimler-Benz and BMW, may be vulnerable than they less appear; their order-books stretch out a year ahead. And order-books buyers of German equities as any British investor who wants soon as the British exchange to buy Daimler-Benz should make sure that Mercedes, the ably on the principle that holding company for the demand from London would Daimler shares floated off by Deutsche Bank three years ago. is not a cheaper way in (it often is). Chemicals are chiefly interesting for their vield domestic investors, but the profits peak of the present cycle may now be past.

Unless the foreign interest in German stocks is maintained, it would not be surprising to see the present raily peter out quite soon. In mark terms German cquities may perhaps be cheaper in a few months time. but a long-term investor cannot nuclear energy, an extremely afford to hold off, even if the hot political question that the sterling value of his German market now considers is more portfolio may be subject to portfolio may be subject to alarming swings at first. There or less settled. So there has alarming swings at first. There been interest in Veba, the is a strong argument for get-principal oil stock, and RWE, ting some exposure—defensive exposure, to energy stocks, supplier which should benefit banks, some bonds—quite soon, from higher prices this winter, if only in order to have some as well as steady demand for Deutsche Mark assets for a

WEENESDAY, ANGUEST 8

"OMPA" of Met. (NGS—

British Tar Preduct. The Cafe Coyal, 68

Regist St. W. 12 00

Britishing, The Great Eastern Hotel, Livertool Street, E.C., 12.30

Briven & Times, conguest West, Dunfee,
12.00

Ch. bb. Aberetin Righms, Bishopsyllic, E.C.,
12.00

Frie Australia 6 1.250 Spring Mathemy 1.250 Spring Mathemy 1.250 Eageriage Brick 1.250 Reed International Deb. 3'acc (90-95).

Reco International Deb. 5 asset Lt. 50: Lt. 50: St. 50

FRICAY, AUGUST 10

FRICAY, AUGUST 10

OMPAN MELLINGS—

FOR ALTO Criss Horel, Quee 5
FOR Rd. Edinourgh, 11.00

cont. Meta. companie, 69 faithful Rd.

cont. 12.30

Hotal, Yew Tree Orige.

BUARD MEETINGS—

Finally.

Article between the control of the c

week's financial diary

engagement during the week. The Board meetings are mainly for the purpose of considering dividends and official indications are

not always available whether dividends concerned are interims or finals. The sub-divisions shown below are based mainly on last

not always and finals. The sub-divisions successful finals. The sub-divisions successful finals. The sub-divisions successful finals. The sub-divisions successful finals. Today for the finals. Today successful finals. The successful finals are successful finals. The successful finals are successful finals. The successfu

The following is a record of the principal business and financial

BUSINESSMAN'S DIARY UK TRADE FAIRS AND EXHIBITIONS

Financial Times Monday August 6 1979

Venue. Manchester

Harrogate

Earls Court

Bristol Exbn. Centre

Holland Park School

Bristol Exbu. Centre

Connaught Rooms, London

West Centre Hotel, London

Wembley Conference Centre' Bristol Exhibition Centre

Brighton Exbn. Centre Metropole Ex. Centre Brighton

Wembley Conference Centre

	_	••			
		Tiela	• •	• •	
	Date .	Title British Furniture Manufacturers	Tehlhi	tion (C	1-734
	Current	Rutisu kataltake manatacimere	• درامی مینید		
		0851) (until Aug. 8)			
П	Aug. 17—19	Custom Car Show (08833 4371)_		En 808	•••
	Aug. 19-23	International Craft and Hobby F	ajr (092	DZ 121	11)
l	Aug. 21-23		tion .	Tecum	Oroga
	711g. 21 20 11111.	Exhibition (01.722 4139)			
ł	Aug. 25-Sept. 1 .	International Motor Cycle Show	(01-741)	2156)	
Н	Sept. 2-6	Giftware and Fashion Access	ories	Trade	Fair
l	Sept 20	· (Tunhridge Walls 36885)			
ı	C 9 7	International Music Publishing	and Re	cordin	g In-
ı	Sept. 3—7	dustry Show_INTERPUP ()	11-4200 U	4800	
	Comt 9 7	Offshore Europe Exhibition an	d Conf	erence	(01-
ŀ	Sept. 3—7	549 5831)	-		٠.
l	a a a	Point-of-Sale Exhibition (01-340	3291)		•
	Sept. 46	International Carpet Fair (021-7)	15 6707	ì	
1	Sept. 4—7	International Inplant Printing	z Sho	RE	PRO.
	Sept. 4-7	. WORKSHOP (01-647 1001)	E OHO		
ľ	Sept. 11-13	Flectronies Show (03933 4371)	•		•
F	Sept. 16—19	MAB 79-International Mensy	rear F	eir (0	1-839
•	GCPL AG-10	5041)			
ı	Sept. 17—20	Filtech/Dustex 79-2nd World	Filtrat	ion Ex	chibi-
-	Sept. 11—20	tion (01-236 0911)		٠.	
	Sept 18-21	Firetech 79 International Fire	e Prot	ection	and
Ľ	Sept 10 21	Control Exhibition (01-637 2	400)	٠٠	
.	Sept. 24-26	Weightech '79 (01-686 5741)	•	. ' '	
•	Dept 21 20				
֡	OTTOTAL	O MOLENIA TIAT	DC	4 7	\mathbf{n}
7	11 1 V 4: K S H. Z	IS TRADE FAI	1.5	AU	

OVERSEAS T	RADE FAIRS	AND	EXHIB	ITIONS
	how (Dublin 680645)	•	Dublin	
Aug. 9—10 Compute	er Exhibition (01-930 7955)		Hong Kong	3.17.2
	Timber Fair (01-584 6933)		Klagenfurt	- 115
	Hardware Show		Chicago	
Aug. 13-17 ENVIRO	79—The International Environ	mental and		
Eng	ineering Exhibition		Singapore	
Aug. 17-26 Internati	ional Trade Fair (01-486 1951)		Maimo	
Aug. 20—Sept 20 Internati	ional Fair		lænir	
Ang 20—24 Internati	ional Packaging and Food	Processing	· <u></u>	
Extr	ibition—PAKPROCESS (01-488)	(951)	Johannesburg	
	ional Radio and TV Exbn. (01-54	0 1101)	Berlin	
	nternational Shoe Samples Fair		Frankfurt	· , , , · · · · · ·
	ional Fair (01-734 0543)		Johannesburg	
Aug. 26—29 Internati	ional Fair (01-734 0543)	Turkikasi	Frankfurt	
Aug. 27—30 Pharmac	entical and Chemist Supplies	EXMOTUOR	Utrecht	
(U1-	186 1951) Il and Electronics Components	Rehibition		
	and Woodworking Industry Exhi	ikition	Moscow	
Aug. 29—Sept. 12 Timber	onal Fair of Consumer Goods (0)	1 274 60243		4
	onal Autumn Fair (01-493 3111)		Leipzig	
	onal Trade Fair		Plovdív	
	onal Fair of Algiers		Algiers	
	l Trade Expo (01-242 4784)		Catro	
Sept. 8—11 Internati	ional Leather Week (01-439 3964		Paris	
Sept. 8-16 Internati	onal Autumn Fair (01-534 6933)	`	Vienna	ا <i>ن ا</i> ز ۱۰
Sent 8-23 Internati	ional Fair		Ghent .	
Sept. 12—20 Internati	lonal Engineering Fair (01-278 0	281)	Bruno	
Sept. 13-16 Internati	ional DIY Trade Fair (01-236 09)	11)	Essen	1
1	And the second s	•		
DITCHNIES AN	VD MANAGEMI	ENT C	UNKER	FNORCE
DUDINESS AT	AD MUNICIPAL STREET		OTIT THE	
1	Nasta Maria a Decimario min			· · · · · · · · · · · · · · · · · · ·

Current Compower: Basic Trainee Programming Course (Cannock 2511) (until Aug. 17) Aug. 16—17 Brunel Management Programme: Personal Effec-Cannock, Staffs. tiveness Development Workshop (0895 58461) Aug. 27—Sept. 2. Orb Foundation: Trade and Technology in Orbit (01-836 4688) Sept. 3-7 Brunel Management Prog.: Production Management and Human Behaviour (Uxbridge 56461) Sept. 6-7 MSS. Management Skills for Women (Lincoln 385291 Lincoln Sept. 10-12 EMS: The Japanese Approach to Product Quality Management (High Wycombe 33171) Sept. 11—12 Freight Information Services: Practical Marketing for Road Hauliers (Southport 38515) Sept. 11—12 ASUAG: International Chronometry Congress (01-Southport 387 0116) Ceneva Sont. 12-13 Financial Times: Korea in the 1980s (01-236 4382) Sept. 12-15 International Newspaper Promotion Association:

Sept. 13-14 Society of Chemical Industry: Marine Corrosion on Offshore Structures CILA: Educational Conference (01-240 1496)
.... MSS Computer and Business Consultancy: Effective Budgeting and Financial Planning (Worthing 34755) Sept. 18-21 Brunel Management: Experimental Methods in

Management Training (Uxbridge 56461)
Sept. 17—21 Lamsac: Job Evaluation (01-828 2333) Sept. 18 The City of Westminster Chamber of Consuerce:

Sept. 18—21 University of Bradford Management Centre:
Financial Control of R and D (Bradford 42299)

Brunel University Wembley Conference Centre Brunel University Institute of Directors, Pall Mail

University of Aberdeen Royal Lancaster Hotel, W2

Brunel University Buckingham Gate, SW1 H.M.S. Belfast

Heaton Mount, Bradford

This advertisement is for information only and to comply with the Regulations of the

LONRHO LIMITED

(Incorporated in England under the Companies (Consolidation) Act, 1908)

Issues of:

£2,483,764 9 per cent. Second Mortgage Debenture Stock 1987/92 £810,000 12½ per cent. Second Mortgage Debenture Stock 1985/90 £1,766,940 12½ per cent. Second Mortgage Debenture Stock 1980/83

The above-mentioned Debenture Stocks of Lonrho Limited have been admitted to the Official List by the Council of The Stock Exchange.

Full particulars of such Debenfure Stocks of Lonrho Limited are available in the Extel Statistical Services and may be obtained during usual business hours up to and including 20 August 1979 from-

Keyser Ullmann Limited, 25 Milk Street, London, EC2V 8JE

Joseph Sebag & Co., Bucklersbury House, 3 Queen Victoria Street, London, EC4N 8DX

6 August 1979

This announcement appears as a matter of record

Kredietbank S.A. Luxembourgeoise

Algemene Bank Nederland N.V.

Arab Bank Limited and Morgan Grenfell Investments Limited announce that The Arab and Morgan Grenfell Finance Company Limited, a former jointly owned Company has been wholly acquired by Arab Bank Limited as of 5th June, 1979. Following this acquisition the name of the Company has changed

Arab Bank Investment Company Limited

Board of Directors A.M. Shoman, Chairman K. Shoman, Deputy Chairman T.J. Kassem, Chief Executive A.A. Dojoni The Hon, D.A.C. Douglas-Home M. Masri

The address and telephone number is unchanged 9 Ironmonger Lane, London EC2 Telephone: 01-606 7491



CANCO DI SANTO SPIRITO

Registered and Head Office in Rome Established 1605

The General Shareholders' Meeting held in Rome on the 30th of April under the Chairmanship of Mr. Vincenzo Firmi and with the participation of the General Manager, Mr. Mario Torchio, approved the Balance Sheet as of 31st December 1978 which shows a net profit of 5.8 billion lire.

The meeting approved the payment of a dividend of 12.50%, applicable to the whole capital of 28 billion lire raised during 1978, as well as the allocation of 2 billion lire to ordinary reserve. Total capital funds now amount to 172 billion lire. During 1978 total deposits increased by 25.3% to 4.941 billion lire, of which 3,442 billion lire. represent customers' deposits. Total investments amount to 2,348 billion lire with an

A considerable improvement was achieved in the field of services; the international business has continued to make a steady progress with a particular emphasis on promoting Italian enterprises abruad.

During the year two city branches were opened in Rome as well as a main office in L'Aquila.

4 to 1 The dividend is payable from May 2nd.

	1978 BALA	NCE SHEET
ASSETS Cash and at call Securities and Investments Overdrafts Other assets Contra accounts	(billion iire) 795.7 1,916.1 2,348.3 612.5 4,520.2	LIABILITIES (billion fire) Capital and Reserves 170.0 Deposits, current accounts 4,240.2 Povicion for risks, losses and depreciations 120.3 Other liabilities 435.6 Net profit 5.8 Contra accounts 4,520.2
	10 192.5	10.192.8

OVERSEAS FUNDS Murray, Johnstone (Inv. Adviser) 163, Hope St., Glasgow, C2 Telephone Hemel Hempstead, 04-12: 3272

BRITISH FUNDS

Five to Fifteen Years Over Fifteen Years

Undated

INTERNATIONAL BANK 15A-|5pc Stock 77-82| 84 | 16.1| 5.95 | 11.35

COMMONWEALTH & AFRICAN LOANS

Public Board and Ind.

1J/Agric Mt. 5pc 59-89 5412 1 N
31D/A/Can 100-9c 89-94 84 215
1S/Met. Wir. 5pc 89
310 U.S. M.C. 9pc 1982 113 215 Financial

Head Office: The Financial Times Limited, Bracken House, 10 Cannon Street, London ECAP 45Y Telex: Editorial 886341/2, 883897. Advertisements: 885033 Telegrams: Finantims, London.

Frankfurt Office: The Financial Times (Europe) Ltd., Frankenallee 68-72, 6000 Frankfurt-am-Main 1. Telex: Editorial 416052. Commercial 416193. Telephone: Editorial 7598 234. Commercial 7598 1.

EDITORIAL OFFICES Amsterdam: P.O. Box 1296, Amsterdam-C, Telex 16527 Tel: 276 796 Birmingham; George House, George Road. Telex 338650 Tel: 021-454 0922 Bonn: Presshaus 11/104 Heussalice 2-10, Telev 886/9542 Tel: 210039 Brussels: 39 Rue Ducale. Telex 23283 Tel: 512-9037

Cairo P.O. Box 2040. Tel: 938510 Dublin: 8 Fizzwilliam Square. Telex 5414 Tel: 785521 Edinburgh: 37 George Street, Telex: 72484 Tel: 031-226 4120 Johannesburg: P O. Box 2128 Telex 8-6257 Tel: 638-7545 Lisbon: Praca de Alegria 58-10, Lisbon 2, Telex 12533 Tel: 362 508

Madno: Espronceda 32, Madnol 3. Tel: 441 6772 ADVERTISEMENT OFFICES Birmingham: George House, George Road. Telex 338650 Tel: 021-454 0922 Edinburgh: 37 George Street. Telex: 72484 Tel: 031-226 4139 Leeds: Permanent House, The Headrow. Tel: 0532 454969

SUBSCRIPTIONS

New York: 75 Rockefeller Plaza, N.Y. 10019 Telex 238409 Tel: (212) 459 8300 Paris: 36 Rue du Sentier, 75002. Telex 220044 Tel: 236.86.01

Overseas advertisement representatives in Central and South America, Africa, the Middle East, Asia and the Far East. For further details, please contact: Overseas Advertisement Department,
Financial Times, Bracken House, 10, Cannon Street, London EC4P 48Y

Copies obtainable from newsagerus and bookstalls worldwide or on regular subscription from Subscription Department, Financial Times, London For Share Index and Business News Summary in London, Birmingham, Liverpool and Manchester, Tel: 246 6026

SERVICE INFORMATION SHARE

CHEMICALS, PLASTICS-Cont.

BANKS & HP—Continued FOREIGN BONDS & RAILS 1<u>3.10</u> **AMERICANS**

BUILDING INDUSTRY, TIMBER AND ROADS

CANADIANS

Tokyo: Kasahara Building, 1-6-10 Uchikanda, Cniyoda-ku, Telex J27104 Hel: 295 4050

CHEMICALS, P

Akro 11

Bet Akrimate Incs. 397

Septiated Cotton ICo 108 of 100

Anchor Chem. 171

Mos Bayer AG DM., 50 53172

Apr. Blagder Nicke. 130

July Barrell Gent 100

Aday Brot. 73 Pro 100

Aday Brot. 73 Pro 100

Apr. Charles Grove 107

May Caraim

June Charles To 100

Sept 100 20 200

Sept 200 20 200

Sept 100 20 200

Sept 100 20 200

Sept 100 20 200

Sept 200 20 200

Sept 100 20 200

Sept 200 20

CHEMICALS, PLASTICS

* ENGINEERING—Continued

DRAPERY AND STORES

HOTELS AND CATERERS

INDUSTRIALS (Miscel.)

هكنامنالأصل

Tinancial Times Monday August 6 1979	مكنامن الأحمل وعلى المعالمة والمعالمة والمعالم
INSURANCE Continued INSURANCE Continued INSURANCE Continued INSURANCE Continued INSURANCE Continued INSURANCE Continued Insurance Continued Insurance Continued Insurance Continued	PROPERTY—Continued INVESTMENT TRUSTS—Cont. FINANCE, LAND—Continued Property Prope
Apr. Hill. Chas.) 61. 82 21.3 62.0 3.5 - Oct. Apr. Lordon United 20 130 85	7.12 — 9.4 — Dec. July Land Secs. 50p. 1288 44 6.5 11 32 37.2 Sept. Mar. Cardinal Did 82st 30.7 pt 3 37 1.1 5.9 23.0 Nov. May S.E. 64 pc Ann. 556 9.4 Q44.5 7.6 — 8.06 — 7.3 — Mar. Sept. Da. Spec On. 93 — 12.7 64.97 0.8 20.3 10.2 May Cardinal Inv 107ml 30.7 4.5 11 6.0 20.9 March Dct. Smith Bros 35 12.7 64.97 0.8 20.3 10.2 May Cardinal Inv 107ml 30.7 4.5 11 6.0 20.9 March Dct. Smith Bros 35 12.7 64.97 0.8 20.3 10.2 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 March Dct. Smith Bros 35 12.7 64.97 0.8 20.3 10.2 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 March Dct. Smith Bros 35 12.7 64.97 0.8 20.3 10.2 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 March Dct. Smith Bros 35 12.7 64.97 0.8 20.3 10.2 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 March Dct. Smith Bros 35 12.7 64.97 0.8 20.3 10.2 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 March Dct. Smith Bros 35 12.7 64.97 0.8 20.3 10.2 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 March Dct. Smith Bros 35 12.7 64.97 0.8 20.3 10.2 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 March Dct. Smith Bros 35 12.7 64.97 0.8 20.3 10.2 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 March Dct. Smith Bros 35 12.7 64.97 0.8 20.3 10.2 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal Inv 107ml 30.7 4.5 78 11 6.0 20.9 May Cardinal
17 18 18 18 18 18 18 18	0.05 2.2 7.2 9.2 Marie Estates: 44
Oct. Apr. Lightson Clinis. 1 147 26 2 5.06 3.71 4 97 6.0 Mac. Nov. Campan Int. 20p. 110 123	167 125 45115 Jan. Aug Prop. Part ship. 160 161 25 6 22 6 January Currulus Inv
Oct. April LiR.C. Int. 10p. 22 12:223 6. 12.5 6 Jan. July Lawlex . 122 23 18. 12.5 5 Jan. Sept. Horne & Wr. 10p. 163 21 July Lawlex . 122 23 18. 12.5 5 Jan. Sept. Horne & Wr. 10p. 163 21 July Best Circ. 155 20 25 74 25 75 25 Jan. Sept. Horne & Wr. 10p. 163 21 Jan. Sept. Horne & Wr. 10p. 163 21 Jan. June Photax (Lon.) 163 25 Jan. June Long Hiritay 169 27 Jan. June	1.5 1.5
Det. Mary MacLeting Sp. 24 13.43 24 57,719.5 Mary Nos. MacCleting A. Lap. 24 15 35 4.9(6.5) Mer. Mes. Mis. Units 135 Lap Mary	7.5c 28 92 54 3.1 6 2.7 6 3.1
Dec. May Martin-Black. 32 8.5 20 12 8.9 02.0 Cc. Apr. Plastic invests. 10p 101 577 4.6 Martin-Black. 32 8.5 20 12 8.9 02.0 Cc. Apr. Plasticos. 159 4.6 Martin-Black. 32 8.5 20 12 8.9 0.0 Cc. Apr. Plasticos. 159 4.6 Martin-Black. 32 8.5 3.5 9.9 9.7 Oct. Apr. Plasticos. 159 4.6 Martin-Black. 32 8.6 18.0 9.2 4.9 0.0 Cc. Apr. Plasticos. 159 4.6 Martin-Black. 32 8.6 18.0 9.2 4.9 0.0 4.5 Oct. Apr. Plasticos. 159 4.6 Martin-Black. 32 8.6 18.0 9.2 4.9 0.0 4.5 Oct. Apr. Plasticos. 159 4.6 Martin-Black. 32 8.6 18.0 9.2 4.9 0.0 4.5 Oct. Apr. Plasticos. 157 8.5 8.6 Martin-Black. 32 8.6 18.0 9.2 4.9 0.0 4.5 Oct. Apr. Plasticos. 157 8.5 4.7 2.7 2.8 Martin-Black. 32 8.6 Martin-Black. 32 8.6 Martin-Black. 32 9.9 0.0 4.0 Martin-Black. 32 9.0 0.0 4.0 Martin-Black. 32 9.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0	Agr. Dc. J Do. 'A' 50p 72 210 0.1 - 0.1 - 0.2 - 0.2 - 0.2 - 0.3 - 0
Mar. Aug. Nat. C vb rog 10p	15 13 15 12 18 15 18 15 18 18 18 18
Agril Det Parter Knoff P. 86 123 th2 41 7.4 4.0 5.4 Nov. Man Ropleyard Grp. 77 9.4 6.5 Aug. Pauls & Wintes. 135 18.6 4.93 1.8 5.2 6.7 Lune Nov. Pentrand 10p.: 282 8.5 0.85 5.6 4.3 4.5 Feb. Aug. Rivington Motor 100car 3.7 Lune Nov. Pentrand 10p.: 282 8.5 0.85 5.6 4.3 4.5 Lune Detricon 122 gr. 49 2.5 14.02 3.1 7.3 8.0 Jan. July Pentrand 122 gr. 49 4.5 4.5 Lune Detricon 122 gr. 49 4.5 Lune Detricon 122 gr.	SOUTH AFRICANS 1
lan land Reed Page 1904 77 85 8239 29 62 75 - ligar Na Scop 25 25 24 2	5 2 8 11 29 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Reck Darksen 100 38 25 35 35 35 34 NEWSPAPERS, PUB. Dec. Aug. Roy 25 35 36 1 34 NEWSPAPERS, PUB. Dec. Aug. Roy 25 36 36 1 32 34 NEWSPAPERS, PUB. Dec. Aug. Roy 25 36 36 36 NEWSPAPERS, PUB. Dec. Aug. Roy 25 36 36 36 NEWSPAPERS, PUB. Dec. Aug. Roy 25 36 36 36 NEWSPAPERS, PUB. Dec. Aug. Roy 25 36 36 NEWSPAPERS, PUB. Dec. Aug. Roy 25 36 36 NEWSPAPERS, PUB. Dec. Aug. Roy 25 36 NEWSPAP	Apr. Sept. Brit. Michair 41 3710.9 3.6 7.1 42 9.5 Feb. Aug. Barner Lob. Zop. 55 57 - Isa. 4 New New Carry ets Int. 50. 54 5.0 2.1 12.9 4.0 1.0 5.9 2.1
Mov. Ray Royal Worzs. 1.68 7.94 7.13 3.5 6.1 6.2 Apr. Sept Been Brothers 6.2 26.2 Jan. John Russell (A.) 100 138 11.2 1.0 0 4.3 9 1.0 1.0 Jan. John Russell (A.) 100 1.0 1.0 1.0 1.0 Jan. John Russell (A.) 100 1.0 1.0 1.0 Jan. John Russell (A.) 1.0 1.0 Jan. Jan. 1.0 Jan. 1.0 Jan. Jan. 1.0 J	21 21 23 24 34 37 34 48 33 37 36 48 32 34 34
Aug. Mar. Soc. of NV. 176 Aug. Mar. Soc. of NV. 176 Aug. Mar. Do. 47. NV. 178 Aug. Mar. Do. 47. NV. 178 Apr. Oct. States Wave 20p. 162 Apr. Sept. Stelle Gorman. 160 21 5.41 Apr. Sept. Stelle Gorman. 160 22 15.41 Apr. Sept. Stelle Gorman. 160 23 5.42 Apr. Sept. Stelle Gorman. 160 24 6.52 Apr. Sept. Stelle Gorman. 160 25 5.43 Apr. Sept. Stelle Gorman. 160 25 5.43 Apr. Sept. Stelle Gorman. 160 25 5.43 Apr. Sept. Routledge & RP. 128 Apr. Sept. Routle	2 1 11147 8 8 November Leigh Mills 29 2 10 129 20 6 1837 1 11 27 10 1 1 5 19 6 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Apr. Dec Shirotkates 78 - 123 2.87 4.25 5.3 5.0 Nov. Jame Burnzi Puto 98 27.3 5. Jan. Jan/Stonehill Hilds. 330s: 114 620 25 5.8 5.1 Dec. Jame Capseals 50 41 9.4 6. Jame Nov. Sharene Hilds. 125 0.79 1.3 0.3 9.1 Jan. Jan/Casston (Sir J.) 40 4.6 Hilds. 125 0.79 1.3 1.3 Jan. Jan/Casston (Sir J.) 40 4.6 Hilds. 125 0.79 1.3 Jan. Jan/Casston (Sir J.) 40 4.6 Hilds. 125 0.79 1.3 Jan. Jan/Casston (Sir J.) 40 6.5 1.3 9.8 Jan. Jan/Casston (Sir J.) 40 6.5 1.3 9.8 Jan. Jan. Jan/Casston (Sir J.) 40 6.6 3.3 Jan. Jan. Jan/Casston (Sir J.) 40 6.6 2.3 2.1 Jan. Jan/Casston (Sir J.) 40 6.6 2.3 Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Agr. Indy/Radicy Fashions 60 27/10.8 3.7
Mar. Sept. Spillone	Second S
Nov. May Turner & New . Cl. 119 23.4 11.5 1.311.887 (2) F.1.5.0. Ogliny & M. S.2 955.21 30.705	1.0 3.9 5.7 6.5
Fet. Aug. Vintern Grp. 20b 140ml 30.7 623 62 6 6 7 7 1 1 1 1 1 1 1 1	13.3 13.4 13.5
Sec.	22 27/21.0 Dec. May Ambrose link Inc. 65 18.6 55 1.112.111.0 Tob. Amour Fig. 1.0p. 13 43/25.0 Oct. May American Trust. 412 415 5.5 1.15.3/24.5 Oct. May American Trust. 412 415 5.5 Oct. May American Trust. 412 415 6.7 Oct. Amour Fig. 1.0p. 13 2214.6 Oct. May American Trust. 412 415 6.7 Oct. American Trust. 412 415 Oct. American Trust. 413 Oct. American Trust. 415 Oct. American Trust. 415 Oct. American Trust. 416
Apr. Sept. City Offices S5 24 21	A 3 5 5 5 5 5 5 5 5 5
Apr. Equity & Lam 50 172 83 7.75 6.4 Apr. Dec. Farrylew Est. 100 189 6.5 16. Apr. Dec. Farrylew Est. 100 189 Apr. Dec. Farrylew Est. 100 Apr. Dec. Farrylew Est. 100 Apr. Dec. Farrylew Est. 100 Apr. Dec. D	1 4.9 4.8 5.1 Ap Jy D JazdBritish Assets 6612 21.9 0.2 6 1.1 5.623.7 November 150 186 13.0 173.2 2.9 3.9 Nov. Mir/Wash's Col. Rh. 1 54 9.4 09: 171 12.7 16.8 November 170 18.9 18.9 18.9 18.9 18.9 18.9 18.9 18.9

Augus g.



FINANCIALTIMES

Monday August 6 1979

FT SURVEY OF BUSINESS OPINION

Industry feels

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

optimism

spring and industry has become more optimistic about long-term

economic prospects than before the general election. But

businessmen are increasingly

worried about the short-term

outlook in view of an accelarat-

ing inflation rate and a prob-able recession.

This is indicated by the latest

Financial Times survey of business opinion published

today. The sectors interviewed this month are building and

construction, food and tobacco

The overall trend of business

confidence over the last four

months is shown as much higher

and textiles and clothing.

of the two surveys.

more long-term

THE LEVEL of business lowest level for more than five

activity has picked up since the years. This is in line with other



Cossiga ends Italian government crisis

Francesco Cossiga was sworn in found. yesterday. This ended, temporprily at least, the country's easy process in view of the bitter longest, most bitter, and confift between the Socialists and fused Government crisis in some the current Christian Democrat

Sig. Cossiga was the fourth politician to try to form a Government since the inconclu-sive general election two months ago. It took him only 48 hours to assemble an administration composed of 16 Christian Democrat Ministers, four Social Democrats, two Liberals and two so-called "Technocrats."

The Government is not strictly speaking a political coalition but a compromise to allow a truce between the embattled political parties. It is expected to win the confidence of Parliament

The Christian Democrats, Social Democrats, and Liberals diate economic problems and will vote in favour at the end measures to tackle law and f this week's confidence debate. The Socialists, who hold the key to any working parliamentary majority without the Commu-

After the sharp deterioration Christian Democrat leader. in the political climate during The Prime Minister has put the past weeks, the new administration is essentially designed to regarded to be a strong

China's continental shelf

in the Yellow Sea and the South

BP is surveying a large area

in the Yellow Sea. Its contract with the Chinese lays down

that it must hand over the

seismic data of its preliminary

survey and its interpretation of the findings by March 31 next

year. Other companies have

The Chinese have told Western officials that they are

drawing up a law setting out

the terms of offshore explora-tion and development. Western

companies expect some form of

production-sharing arrangement.

The Chinese have indicated that they hope to have the law

Once its details are known

and the Chinese have the inter-pretation of the data in their

ands. which, for many areas,

ready this winter.

been given similar deadlines.

China Sea.

BY DAVID HOUSEGO, ASIA CORRESPONDENT

believe that exploratory drilling
might begin in China's offshore
waters by late next year or
early 1981.

Companies denominate blocks for drilling.
The blocks might be opened
to bidding by international
companies by the middle of next
year.

remains one of the few promising offshore areas in the world in which there has been virtually no exploitation.

Seisnuc surveys are being carried out by Western companies.

By is acting as operator to group of about 16 companies.

It has an office in Shanghai.

Neither BP nor any of its partners, which include Atlantic Richfield, Union Oil, Phillips, Exxon and Elf Aquitaine, have a statement of the statement o

panies, including British Petro- obtained rights to drill as a

leum, in eight concession areas result of survey work.

by the Christian Democrat Sig. political solution is eventually

This is not likely to be an leadership, which earlier opposed an attempt by the Socialist leader, Sig. Bettino

Craxi, to form a Government. Major divisions have now also surfaced between the smaller

In any event, no solid and longer-term solution is expected to emerge until the Christian Democrats-at present deeply divided amongst themselves— have held their key national congress scheduled in the late

Economic problems The new Government is ex-

pected to concentrate essentially on the country's imme-

Sig. Virgilio Rognoni was confirmed as Interior Minister. A Christian Democrat, he was nists, will tacitly support it by first nominated Interior Minisabstaining. The Republicans are ter last year following the also likely to abstain, while the Communists will vote against it.

resignation of Sig. Cossiga, who formerly held the portfolio after the death of Sig. Aldo Moro, the

give the country a working economic team in the Cabinet Government.

OIL companies denominate blocks for drilling. Atlantic Richfield has an exclu-

year.
BP is acting as operator for

The seismic survey was

originally estimated to cost \$6m.

An initial agreement was made

with BP in February and a con-

In spite of the slow-down of

readjustment programme, the

Chinese are clearly giving

priority to offshore exploration.

Oil offers the greatest prospect

sharply increasing their

There are signs that the

leadership is awaiting the pre-

liminary results of the offshore

programme before making further calculations on the scale of the country's plant imports

and on what it can afford to

Elf Aquitaine is surveying an

area adjacent to the BP sector.

they may have by January, they Phillips are operators for four rels a day, of which net exports will be in a position to areas in the South China Sea. were about 380,000 barels a day

three-year

Caltex and

tract concluded in June.

present

export earnings.

Exxon Mobil.

'may start next year'

AN ITALIAN Government led Government until a more stable in view of the renewed pres sures on the Italian economy.

Latest estimates indicate the country's annual rate of infla-tion this year could reach 18 original target of 12 per cent. The added cost of energy imports and the deterioration of the terms of trade are already putting strains on the balance

of payments current account. Sig. Filippo Maria Pandolfi, who before Sig. Cossiga tried unsuccessfully to form a govern-ment, was reconfirmed at the Treasury. The budget portfolio has gone to Senator Nino Andreatta, the economic adviser of the late Sig. Moro, while Sig. Francesco Reviglio, a "technocrat" of socialist sympathies and finance professor at Turin University, has been named

Finance Minister. A leading jurist, Sig. Massimo Severo Giannini, was appointed Minister for Public Administration. There was no such post in the last Government and this indicates Sig. Cossiga's intention to tackle the urgent problem of a reform of Italy's chaotic public administration. Sig. Arnaldo Forlani, the

Foreign Minister in the last three administration of Sig. Giulio Andreotti, has been replaced by Sig. Franco Maria Maifatti, the first Italian President of the EEC Commission and Finance Minister in the last

sive programme south of Hainan Island and Amoco is the

operating company in a survey

on admittedly sparse evidence, have put China's offshore reserves at about 39bn barrels.

The Chinese have conducted

only sporadic seismic surveys

of their offshore waters, which

are of only moderate quality by

the area that BP is surveying is

220 feet; thus oil could be

brought in to productionu in as

little as 18 months to two years

from the discovery of commer-

cially exploitable deposits. BP

is believed to have been told hy the Chinese that its sector

borders a recently discovered

The Chinese have also been

engaged in negotiations with

Japan over appraising and

developing deposits in the Gulf

of Bohai. Agreement has been

held up, however, over dif-ferences on sharing the risks

and the financing.

The rising pace of China's domestic consumption will

inevitably restrict the country's

exportable surplus. Production last year amounted to 2m bar-

Western standards.

anshare field.

Estimates by the CIA, based

to the west.

troubles of the winter. The FT survey points to quite ably continued to rise steadily. a sharp improvement in demand since the spring while the CBI indicators this week will come survey suggested that below-tomorrow when the banking capacity working was at its figures for mid-July are due. Oil search off China

over the next 12 months, which in the FT inquiry than in last week's Confederation of British is higher than at any time since March, 1976. The index of price expectations is now at its Industry industrial trends survey. The contrast may be partly explained by differences An indication of the inflation in the coverage and compilation

recent evidence such as con-

There is no evidence in the FT survey of any weakening of activity in the immediate future

though the CBI warned that

the outlook for orders and out-

put was much less encouraging.

casters now expect a recession over the next 18 months there is uncertainty about when the

Industry is unanimous about the deterioration in the infla-

tion outlook. Companies covered

by the FT survey now expect wage increases of 13.8 per cent

Although most economic fore-

tinuing strong co demand for bank loans.

downturn will occur.

prospects will be given later today when the wholesale price Both inquiries, are however, in broad agreement that industry's new orders and indices for July are published. They are likely to show the favourable impact of the deliveries have improved over strength of sterling upon manufacturing industry's raw the last few months by com-parison with the aftermath of the poor weather and labour material costs, though output or factory-gate prices have prob-

> The other main economic indicators this week will come tomorrow when the banking

Clydebank yard sale sought by Marathon

BY RAY PERMAN, SCOTTISH CORRESPONDENT

MARATHON Manufacturing, the U.S. oil engineering corporation, is looking for a buyer for its UK rig-building yard, which was saved from closure at the beginning of the year by a Government order.

companies are understood to be interested in the yard, at Clyde-

The maximum water depth in Drilling, a company set up by the Scottish Economic Plan-Department and the and saving the yard from

closure.
The Texas-based corporation was reluctant to take the contract because of the low price and the slump in the European off-shore market, which made it unlikely that there would be follow-up work.

Although Marathon is committed to completing the con-tract, it would be willing to sell the yard before then if a buyer could be found. Mr. Ian Kenny, convener of

y a Government order. shop stewards at Clydebank, Some British and European said it had been made clear by Mr. Gene Woodfin, president of the parent company, that Marathon was not interested in Marathon is building a £12m retaining the yard after com-

The Government would have to be consulted about any change of ownership since, as British National Oil Corporation a result of various aid packages specifically for placing the order to Marathon, it holds 62 per cent of the share capital of the UK subsidiary in preference

relations have been good.

stock, worth £3.2m.

Marathon Shipbuilders was
set up in the old John Brown shippard after the collapse of Upper Clyde Shipbuilders. Since then its work and industrial

restricting

half of the year. According to the CBI survey.

THE LEX COLUMN

The cash squeeze on companies

How bad a squeeze? Britis industry, judging by last week's CBI industrial trends survey, has suddenly woken up to the problems which confront it. But there has not been any radical reassessment by the stock market: the All-Share Index may be a sixth off its May peak, but it is still around 9. per cent ahead for the year so

for the industrial and commercial company sector of £3.6bn evoke memories of the notorious 1974 deficit of £4.4bm. But. since then inflation has increased all the numbers by a factor of about 2.1. In real terms the £1.57bm seasonally adjusted deficit recorded for industrial the first quarter of 1979-possibly a freak quarter—was only

Forecasts of a financial deficit

about half as great as the peak deficits reached in the second and third quarters of 1974. As for the equity market, it has the protection that it has never returned to the fancy levels in real terms seen in the early 1970s. If you do not climb.

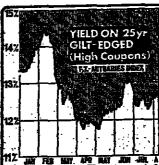
so high you cannot fall so far. In early August 1974 the All-Share was passing down through 100 on its way to the bear mar-ket low of 61.92. In terms of 1974 money, the All-Share is now no higher than about 114-and the financial squeeze does not seem likely to be anything

not seem likely to be anything like as serious.

But August 1974 and August 1979 are not precisely comparable points of the economic cycle. The parallels are not exact, but we could be around six months further away from a turning point than in the summer of 1974. The same could apply on the international stage, where the first wave of stage, where the first wave of massive OPEC price increases hit the world economy in the autumn of 1973 but the second wave did not fully arrive until the spring of 1979—and then on a rather smaller scale. In the last comple of weeks

the City has come round in-creasingly to the view that the financial squeeze still has many months to run. Industry is pressure on margins because of the strength of sterling, which manufacturers to raise prices at a time of rapid cost rises. Meantime spending on fixed assets and stocks has cont mued to rise in real terms in the first

which was conducted in the first half of July, companies are only just starting to think about



cutting back investment authorisations and there is certainly no sign of any sharp fall. There is a more widespread intention to ease back on stock levels— but the need to preserve tax-relief on stocks could make companies reluctant to begin any crash programmes here. Since companies are generally only modestly geared compared with 1974, and can usually rely on big unused overdraft facilities, there is no need for them

resort to emergency This could mean that the company sector will continue to run a large deficit in 1980and it may well be that the inflation; personal sector will have to Normal accounting process make room by cutting back on is that the income from land credit demands. For the equity market there is little reason to fear a 1974-style collapse, but there could be a long, bumpy

Insurance accounts Simply excluding insurance

companies from the provisions of Exposure Draft 24 will not make the problem of inflation accounting go away as far as the composites are concerned. At the very least they face the challenge that at some time in the next two or three years company taxation will likely be shifted over to a basis which will look something roughly like the ED 24 system. It could be expensive for the insurance companies to be left out. More fundamentally, there is a continuing need to find an earnings measure for insurance companies which corresponds experiencing particularly severe more closely with their apparent capital requirements and divi-dend paying capacity and stock market's empirical valua- reflected the pattern of real tion of the sector.

papers. One firm Laing and Cruickshank, believe that the and General Accident come on balance sheets of the composites best since 1971 in terms of real are already adjusted broadly for retentions, and they have also the effects of inflation and, to a achieved the best overall share large extent, their earnings are price performances.

too. They draw the parallel with the banks, which have streaded established the principle that they should make a central maintenance provision. So they are the strength of t recommend a simple adjustm to maintain solvency margins though they cautiously suggesthat this should only be at it rate of 20 per cent of press profits rather than the 40 per cent needed to maintain existing solvency margins in 1978. Rule of thumb provisions

fundamentally unsatisfactor however, and brokers Phili and Drew try to probe dee adjustment to published ings: first, they add the cha in the market value of live ments, and secondly the deduct a sum equal to the rain of inflation times the shall holders' funds.

The basis for this appre sheet problems for insura companies if their capital is is eroded in real terms. their portfolio management successful enough to making the real value of shareholder funds, however, then they finance the growth of pres in money terms in line w

ments is counted as part earnings but the capital flug tions are not. The switch fro equity-type to fixed integral investments by composite in ance companies in recent year has had the effect of boosting had a cost in terms of ass growth. The P and D approa would have the advantage in integrating income earnings an capital earnings.

Insurance companies dislike such an approach because. would make their earnings e tremely volatile. Certain quarterly or half-yearly earning on such a basis would a unhelpful. But over a period of several years the significant would emerge. P and D call late that aggregate real earning of the composites over eight years since 1971 were in quite enough to cover divident

Moreover they claim that the sector's price relative has retentions much more close Two brokers have just than the pattern of published tackled the subject in research retentions. And as for the in retentions. And as for the in-dividual shares, Sun Alliance

Rail surcharge plan in reserve

introduce fuel surcharges to freight depend, however, on cover higher operating costs at further stability of fuel supplies least until the end of the year, and prices. But this will make even more certain that substatial in managed so far to cushion the creases in rail fares—perhaps worst effects of fuel shortages

The British Rail board has

Moves to hold back fuel services.

nore than 20 per cent—from and price rises by improving efficiency and cutting some local

BRITISH RAIL is unlikely to surcharges for passengers and

instead of the usual four power

savings limited. stantial

Mr. Sidney Weighall, general secretary of the National Union of Railwaymen, warned last 25 per cent may be inevitable.

not finalised the figure for a January increase. It has to strike a balance between cover-ing increased operating costs and not raising fares so much that travellers desert the trains.

told the annual meeting of the National Union of Railwaymen in June that there would be "no further general increase in rail fares this year." But he did not rule out the possibility of fuel surcharges.

• The interim report on British Rail's electrification proposals, which could cost up to £520m, is now with the Government and the British Rail board, The result of a year's work by a group set up by Mr. William Rodgers, the former Transport Secretary, to examine the case for expanding electrification, the report costs various options, but does not say how much revenue would be generated.

Small company aid plans being drafted BY JOHN ELLIOTT, INDUSTRIAL EDITOR A SERIES of financial and bat rising unemployment and to counter a fall-off in industrial

other initiatives to encourage the growth of small and activity, medium-sized companies is being Some of the ideas now being hastily prepared by Government departments for launching

in the autumn. The measures will include steps to make it easier for small companies to raise capital, the possible easing of local authority planning controls and procedures and simplification of

Government legislation. It has yet to be decided whether the measures will be announced as one "enterprise package" or whether they will be introduced gradually.

The pace of activity in White-

hall has quickened during recent weeks. Both Ministers and civil servants of departments such as the Treasury. Industry. Environment and Employment expect to be kept husy throughout the coming two months finalising ideas for the Cabinet.

The urgency stems from Ministers' awareness that the Budget's tax incentives will not work fast enough to unleash the entrepreneurial drive which business they believe essential to com- or loans.

provided by venture capital companies has also been discussed, but Sir Keith Joseph, Industry Secretary, is believed to have some reservations about A more likely runner could be a scheme to develop the work

considered will be shelved or

discarded before the autumn. Many originated during the last

two years of the Labour Govern-

Government to encourage, and

maybe subsidise, a guarantee

scheme for clearing bank loans.

The aim would be to reduce the

administrative burden and the financial risk of banks lending

to small companies with no

A similar guarantee scheme

for risk capital of up to £100,000

track record.

They include plans for the

regional small companies counselling services so that they use their local expertise and know ledge to sift through small business applications for equity

will be accepted.

will probably emerge in the conference communique. It will draw heavily on those clauses that guarantee the positions of whites in Tanganyikan, Kenyan parties to the conflict. and Zambian independence constitutions. When it sees the light of day, it will be described as a "S " British-originated

The British, with bitter has loomed to large in the preof her own party, have concen-trated the minds of the main

The hope is that the problem

This advertisement is issued in compliance with the requirements of the Council of The Stock Exchange It does not constitute an invitation to any person to subscribe for or purchase any shares.



Henry Ansbacher Holdings Limited

Share Capital

Authorised £5,000,000

Ordinary Shares of Speach

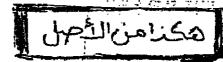
Issued and fully paid £4,879,377

The Council of The Stock Exchange has admitted the above mentioned Ordinary Shares to the Official List Particulars of the Company are available in the Extel Statistical Service and copies of the statistical card may be obtained during business hours on any week day (Saturdays excepted) up to and including 20th August, 1979 from:

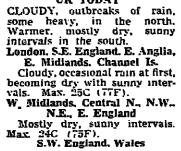
> PANMURE GORDON & CO. 9 Moorfields Highwalk, London ECZY 9DS

HENRY COOKE, LUMSDEN & CO., P.O. Box 369, Arkwright Horrse, Parsonage Gardens Manchester M603AH

SMITH KEEN CUTLER Exchange Buildings, Stephenson Place, Birminsham BZ 4NN







middey

C -F

28 82 Chicano R 23 73

32 90 Colopno F 19 66

32 90 Corbin S 19 66

32 90 Corbin R 16 61

28 82 Dbrinh R 16 51

28 82 Dbrinh S 30 86

29 64 Gdrbigh R 15 59

33 76 Farn S 22 72

33 76 Ganeva S 29

39 66 Glasgow R 14 57

38 82 Grissev S 19 65

18 64 Heismil F 18 64

20 62 Heismil F 18 64

20 67 K Kong S 19

31 87

22 77 Jersey S 21 76

33 66 Jo Man R 14 57

33 77 Jersey S 21 76

36 66 Jo Man R 14 57

37 Jersey S 21 76

36 66 Jo Man R 14 57

37 Jersey S 21 76

36 66 Jo burg S 17 63

37 75 Jersey S 24 75 62: Glasgow 82: G'rnsec 64: Heisenki 68: H. Kong 72: Ingstrk. 75: Ingstrk. 75: Ingstrk. 76: I. O Man 73: Jersey 96: Jo burg 73: L. Pims. 75 75

Occasional drizzle on hills and coasts at first. Becoming mostly dry. Max. 22C (72F). Lakes. Isle of Man Cloudy, rain or drizzle. Max.

Rain early, becoming drier and brighter. Further rain later. Rest of Scotland, N. Ireland

Mostly cloudy, rain at times. Some heavy hill fog. Max. 18C (64F).
Outlook: Cool, showery wea ther spreading from north.

19C (66F). Orkney, Shetland

The services were cut by 2 per cent in June and a similar amount was cut from the British Rail fuel bill. Some trains started operating with two

The possibilities for other are thought to be unless there are subcuts in main-line

month that increases in rail fares of between 20 per cent and But the British Rail board has

Sir Peter Parker, chairman.

The last rail fare increase was in January when tickets rose by an average of 9 per cent.

Continued from Page 1 Rhodesia

The outline of the constitution

tion.
The sanctions issue, which this weekend's talks.

memories of the abortive 1976
Geneva all-party talks, do not want to call a constitutional conference until it is pretty clear that the new constitution will be accorded.

But the knowledge that the British order on sanctions ruse. British order on sanctions runs out on November 15, and the difficulties that Mrs. Thatcher could face with a large section

> of sanctions will go away. 'Sanctions is a dead issue,' is constitu- the attitude of one delegation that played an important role in